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ECONOMIC BULLETIN FOR EUROPE

FIRST QUARTER, 1951

Vol. 3, No. 1

Prepared by the

RESEARCH AND PLANNING DIVISION
ECONOMIC COMMISSION FOR EUROPE

GENEVA, August 1951

The ECONOMIC BULLETIN FOR EUROPE is intended to provide a regular review of the economic situation of Europe in the intervals between the publication of the annual ECONOMIC SURVEY OF EUROPE. Three issues of the BULLETIN are published annually, covering the first, second and third quarters of the year. There is no issue of the BULLETIN for the fourth quarter of the year, since the analysis of economic developments during that period is included in the annual ECONOMIC SURVEY.

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ECONOMIC BULLETIN FOR EUROPE

First Quarter 1951 **Vol. 3, No. 1**

REVIEW OF THE ECONOMIC SITUATION IN EUROPE DURING THE FIRST QUARTER OF 1951, AND PART OF THE SECOND QUARTER

GENERAL SUMMARY

DURING the first quarter of 1951 anticipatory expenditure by consumers was maintained on a heavy scale in Europe until February: since then there has been a decline in the rate of increase and in some cases an absolute decline in consumer demand in many countries. Inflationary influences from outside Europe began to weaken at the end of the quarter; by April wholesale prices had flattened out in most countries, following the ending of the upswing in world market quotations for primary products.

Wage-cost and price inflation, however, continued inexorably. In most countries wages and retail prices were still increasing in May and were by then typically 7 to 8 per cent above the December level.

Industrial production in the first quarter was 14 per cent above the first quarter of 1950, but no higher than in the last quarter. Total exports from European countries were lower in value and volume than in the last quarter of 1950, but were still 50 per cent greater in volume than the year before. Imports were substantially up both in value and volume. Exports to the United States again increased; there was a decline in intra-European trade, probably largely of a seasonal nature. An outstanding feature of the period under review has been the rapid rate of increase in western German exports of manufactured goods; in the 6 months following 1 October 1950 the volume of these exports ran at a rate 70 per cent greater than in the preceding 9 months, and have been since increasing further.

In eastern Europe industrial production continued to increase; revisions of development plans put increasing emphasis on heavy industry.

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1. PRICES AND DEMAND

The World Setting

The *Economic Survey of Europe in 1950*, which was written with certain statistics of the first quarter already available, suggested that wages and retail prices would continue to rise as the high level of raw material prices continued to work vertically and horizontally through the western European economic system. Although world prices for raw materials were already softening, it was thought that food prices would begin to rise more rapidly—partly as a result of inflationary effects in primary producing countries of past rises in materials prices and partly from the effects of an uncovered inflationary gap in the United States.

In the event, personal money incomes [1] and consumer prices in the United States pushed steadily upward till May and June respectively, but there appeared much direct evidence of a marked reduction of consumer demand and the general inflationary atmosphere in that country. A survey of consumers' attitudes [1] early in 1951 showed that although 67 per cent of those asked expected prices to go on rising during the year (compared with 42 per cent in July 1948—the highest figure previously reached since these surveys began in early 1947), few were planning anticipatory purchases. United States wholesale prices

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[1] See *Federal Reserve Bulletin*, June 1951.

Table 1

INDEX NUMBERS OF WORLD PRICES OF FOODSTUFFS AND RAW MATERIALS

2nd quarter 1950 = 100

	1950	1951			
	Dec.	Jan.	Feb.	March	April
Foodstuffs . . .	108	113	116	116	113
Raw materials .	171	196	209	212	186

NOTE. — Apart from the shift in the base period, the index numbers are a continuation of figures shown in Table 3 of the 1950 SURVEY, slightly revised as regards December 1950.

have been constant, or falling, since the end of April. World market quotations for raw materials continued on balance, to rise through the quarter and reached their peak in March (see Table 1), although rubber and tin had fallen earlier. The latter part of the upswing in prices clearly represented a substantial overrunning of the new point of equilibrium between supply and demand ; after March the speculative water was squeezed out rapidly so that the general index shown in Table 1 fell by 13 per cent in April.

World prices for foodstuffs have not risen as much as anticipated in the SURVEY. The general index in Table 1 rose only 7½ per cent between December and March and then, surprisingly, fell 2½ per cent. This drop in the average in April concealed, however, divergent movements for individual quotations : rice fell by 2 per cent, and coconut oil quotations by 6 to 12 per cent ; coffee fell everywhere, on the average by about 1 per cent ; free market quotations for wheat rose in Canada and the United States ; prices for most other foods remained stable.

It is clearly unlikely, so long as the defence programme is carried out, that anything in the nature of an American recession will develop. But whether a basically deflationary tendency is just offset by defence expenditure, yielding a more or less stable equilibrium at full employment [1] or whether there is a resurgence of full scale inflation at the end of the year must depend very largely on the progress of present efforts to reduce international political tension.

[1] The inflationary " gap " estimated in the SURVEY (Chapter 1, Section 4) as $13 billion in the calendar year 1951 would then turn out to have been closed by unexpectedly high consumer savings and heavy inventory liquidation. (In the first quarter of 1951, the value of business inventories increased at an annual rate of $8 billion compared with $11 billion in the last quarter of 1950 and $4 billion over 1950 as a whole.) On the other hand, it should be appreciated that a substantial part of the original " gap " has already been worked off by wage and price increases since the beginning of the year.

Table 2

INDEX NUMBERS OF THE VOLUME OF RETAIL SALES

Corresponding month of preceding year = 100

Country		1950	1951			
		Dec.	Jan.	Feb.	March	April
Austria	A	..	128	115	106	98
	B	..	161	146	106	104
Belgium . . .	A [a]	111	114	131	111	..
	B [b]	97	109	137	99	85
Finland	A	106	115	116	110	..
France	A [a]	128	132	134	130	121
Western Germany	A	121	136	123	120	105
	B	139	173	128	116	103
Italy	A [b]	133	141	120	149	103
Netherlands . .	A [c]	96	106	110	111	91
	B [d]	91	116	124	113	82
Switzerland . .	A	113	117	106	110	103
	B	126	116	106	108	100
United Kingdom	A [e]	109	107	110	109	108
	B [e]	111	109	121	112	111

Sources : See "Notes to the European Economic Statistics."

NOTE. — A : — total retail sales
B : — retail sales of textiles

The index numbers shown for France, Italy and the Netherlands have been taken directly from national sources. For the other countries, index numbers of the value of sales have been deflated by retail price indices.

a Sales by co-operatives.

b Sales by department stores.

c Total consumers' expenditures, including some services.

d Includes expenditure on durable goods, as well as textiles.

e Department stores, multiple shops, and retail co-operative societies.

Developments in Western Europe

This pause, or relapse, in the inflationary atmosphere in the outside world was paralleled in many parts of western Europe. Price wars in New York were followed by similar manifestations in Scandinavia. In the first two months of the quarter there occurred something in the nature of a European buying spree : in six out of the nine western countries for which statistics are available (the United Kingdom being the most striking exception) the value and volume of retail sales, related to the corresponding month of

Table 3

ORDERS PLACED WITH INDUSTRY IN WESTERN GERMANY

1949 = 100

	January 1951	February 1951	March 1951	April 1951	May 1951
All industry [a]	203	219	194	182	177
Consumption goods industries :					
Total	188	203	156	135	121
Textiles	200	226	161	134	108
Shoes	159	117	70	62	68
Investment goods industries :					
Total	220	236	220	212	205
Machine building	257	269	271	263	240
Electrotechnical industry	200	223	191	182	170

Source : Die Wirtschaftliche Lage in der Bundesrepublik Deutschland, Part B, May 1951.
a Excluding mining, building and food industries.

the previous year, showed a marked jump during one or both of these months (see Table 2). But in March and April, the value and volume of sales fell (relatively to the same months in 1950) in all countries where it had jumped ; in the case of Belgium and the Netherlands this index dropped below 100. In all cases, the speculative nature of these movements was shown up by their being very much more marked for textiles than for other goods : even in the United Kingdom the volume index for textiles rose to 121 in February, on base February 1950, compared to 111 in December on base December 1949 ; after that the price increases which British consumers were anticipating occurred, and although they continued to spend about the same amount of money as they did the year before, they received less clothing.

Interpretation of the results of Table 2 is, however, made difficult by the well known instability in the amplitude of seasonal fluctuations in sales, and by the possible existence of upward or downward (non-seasonal) trends during the corresponding period of 1950 ; in Belgium, for example, most of the movement of the index numbers in the table is due to movement in the base months of 1950, the absolute level of sales being relatively stable throughout the quarter. Nevertheless, there were also reports from a number of countries that traders were fearing a decline in purchases ; from the figures it appears that, except in Belgium and the Netherlands, they were largely complaining of a reduced annual rate of increase. To the extent that this results in a reduction in inventories and over-extended trading positions generally, the second quarter may well see some consequent reductions in production [1] ; Table 3, showing orders booked by western German industry, provides some evidence for the future in a country where the decline in sales is particularly marked. Some cases where sluggish demand actually resulted in a decline in production already occurred during the first quarter ; in the United Kingdom, for example, both the production of wool cloth and the number of persons employed in its manufacture fell [2] during the quarter, presumably as a result of long-expected consumer resistance to the high level of prices.

Despite this apparent change in the demand situation and despite bearish price expectations in certain countries, notably Belgium and western Germany, cost-inflation in western Europe continued inexorably. Retail prices rose substantially and continuously throughout the period in all countries except western Germany ; wages followed close behind [3] and in some

[1] Western German production of consumer goods, for example, fell by 6 per cent between April and May, although total production was constant.

[2] Cotton production also fell, but with rising employment.

[3] In Belgium, wages lagged substantially.

Table 4

THE COST OF LIVING AND INDUSTRIAL EARNINGS (OR WAGE RATES)

Country	Month	*June 1950 = 100*		*December 1950 = 100*	
		Cost of living	Nominal hourly earnings in industry	Cost of living	Nominal hourly earnings in industry
Belgium	March	111	107	106	101
Denmark [a]	March	109	108 [b]	104	105 [b]
Finland [a]	March	116	133	106	113
France	March	115	120	105	106
	April	117	126 [b]	107	111 [b]
Western Germany	March	106	112	106	104
Italy [c]	April	110	108	107	104
Netherlands [c]	April	113	110	108	105
Norway	March	110	106	103	100
	April	115	112 [b]	108	106 [b]
Sweden	April	115	120 [b]	111	118 [b]
Switzerland [c]	March	103	101	101	100
United Kingdom [c]	April	107	107	105	104

Source : Table XIII and national statistics.
a Quarter ending in quoted month.
b Estimated.
c Wage *rates*. In the case of the United Kingdom only, weekly wage rates.

cases went in front (see Table 4).[1] In other words, the basic rises in costs initiated in 1950 continued to work through as expected.

There is no doubt, however, that the underlying forces which initiated the first round of inflation were slackening in most western countries ; if they now continue to do so the future course of prices will depend on the extent to which rising retail prices themselves generate further wage increases, and on the extent of rearmament expenditure. Domestic wholesale prices have hardly risen since February in Belgium, Italy and Switzerland and in most countries they were fairly stable between April and May.[2] It appears that these index numbers, especially their raw material components, react very quickly to changes in general level of market quotations, as would be expected from the fact that they are themselves largely built up from prices quoted by traders for spot transactions. Import unit values, on the other hand, seem to lag behind domestic wholesale prices, as again would be expected from the fact that they relate to a large volume of past actual transactions. Thus, whereas the increases in overseas prices for major raw materials put the index number based on market quotations (Table 1) at 206 in the first quarter of 1951 compared with the pre-Korean second quarter of 1950, the corresponding figures for unit values and domestic wholesale prices in the four major countries for which both series are available were as follows :

Industrial Raw Materials
Index numbers : 2nd quarter 1950 = 100

	Import Unit Values 1st quarter 1951	*Domestic Wholesale Prices 1st quarter 1951*
United Kingdom	158	169
France	135	164
Switzerland	129	140
Belgium	139	156

It now seems likely that import unit values will never catch up with the rise in wholesale prices and world market quotations ; by the same token, they are more likely to level off, rather than to parallel any downward movement of market prices.

In such a mixed situation it is extremely difficult to say whether there has been a pause, a halt, or a recession in the European inflation. If world political

[1] For further details see Table XIII.
[2] For further details see Table XII.

tension is substantially relaxed, if the United States economy in fact develops in a relatively non-inflationary fashion and if world prices continue downwards, the future of European internal prices will come to depend largely on the pace and weight of rearmament. This factor will obviously vary considerably from country to country. But, in any event, it is unlikely that there will be an actual fall in the general structure of European costs and prices, and quite likely that it will continue to rise. For the rises in retail prices have already driven up wages, and in no country are wages likely to fall : this downward inflexibility means that the sharp rise in wholesale price quotations, even if followed by a substantial fall, is almost certain to leave the general wage and price structure at a higher level than before, even in countries where there is heavy unemployment.

However, the situation is as mixed geographically as it is analytically. In some countries, the reduction in the volume of consumer expenditure may be due to a decline in real wages, in others it represents consumer resistance to abnormally high prices—coupled with a genuine expectation that they will fall—and, in others, it is mainly an attempt to replenish liquid assets after the buying spree. Moreover, the general strength of inflationary forces is proving to vary considerably between different western European countries. In western Germany, there is clear evidence of a recession in consumer demand and in the pressure of orders on industry (see above) ; [1] the general level of internal demand has been sufficiently low to have allowed exports to rise at a very rapid rate (see section 3 below) ; the rise in exports combined with restrictions on imports has converted the deficit with the European Payments Union into a surplus, which may well have the effect of offsetting the decline in internal demand. Western German unemployment shows little sign of declining. In the United Kingdom, on the other hand, unemployment, already reduced to almost negligible proportions, has been falling still further and the economy is showing every sign of suffering from severe strain. Cost inflation [2] is rampant and towards the end of the year may well be enhanced by demand inflation flowing from the heaviest rearmament programme in Europe. For one reason or another, exports are wavering : this, combined with the high cost of imports, has created the new balance of payments problem which will have to be countered by a renewed export drive or cuts in imports, thus adding to the inflationary pressure.

In France, the cost of living rose at the same rate as in the second half of 1950 and by May was 10 per cent above December ; wages seem to have kept up the pace. Wholesale prices, although stable between April and May, were then 17 per cent above December. In general these increases, though rapid, do not of course compare with the rates experienced in the runaway inflations of the immediate post-war period ; the situation certainly has not yet developed so dangerously as was feared in Chapter 5 of the SURVEY. In Italy, retail prices in May were 7 per cent above December, but in this country also the situation has remained more stable than might have been expected from past experience. Although industrial production continued to accelerate, the rise was not associated with so great a rise in wholesale prices as occurred in previous post-war periods of expansion. In Belgium, retail prices in April were 6 per cent above December but, as already stated, consumers are said to be expecting them to turn downwards (although there is little evidence so far of these expectations being realized). In the Scandinavian countries, retail prices rose more than elsewhere. In Switzerland, all prices have remained remarkably stable.

It may well be that, as the remaining quarters unfold, the wide divergence between the general position of the United Kingdom and that of the rest of western Europe, particularly western Germany, will turn out to be the main characteristic of the year. This applies particularly in the field of foreign trade, for a fuller discussion of which see section 3 below.

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[1] This latter may, of course, be no more than a statistical by-product of the inevitable decline in the rate of increase in industrial production ; industry cannot go on *accepting* more new orders indefinitely.

[2] The present situation in the United Kingdom may be summarized by bringing up to date the table shown on page 156 of the SURVEY :

Percentage Increases over Average Levels of 1950

	Assumptions implied in Economic Survey for 1951	*Actual Increases to March 1951*	*Increases to Latest Date Available*
Wages	7	5½	7 (June)
Retail prices . .	7½	4	10 (June)
Import prices . .	28	28	43 (June)
Export prices . .	18½	12	20 (June)

2. Industrial Production in Western Europe

Following a particularly active quarter, in which total European industrial production increased by 12 per cent over the preceding quarter and reached a level 15 per cent above the fourth quarter of 1949, production maintained the high level which had been reached but did not show any further significant increase : it was, however, 14 per cent above the level of the first quarter of 1950. Comparison with 1950 is made somewhat difficult by the fact that Easter came early this year, but in Table 5, which shows production in each quarter as a percentage of production in the corresponding quarter of the previous year, some correction has been made for this factor by placing the United Kingdom index for the first quarter on a four-month basis (this index being the most important one which is not officially corrected for statutory holidays). Divergences in the movements for major industrialized western countries were not very extreme, varying from an increase of 4 per cent over the fourth quarter of 1950 in Italy, to reductions of 1 per cent in the United Kingdom, Sweden, Denmark and the Netherlands.

Table 5

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

	Corresponding quarter of the previous year = 100							*Fourth quarter 1950 = 100*
	1949		1950				1951	1951
	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	First quarter
Austria	132	133	131	117	113	115	112	98
Belgium	96	99	97	99	106	115	119	104
Bulgaria	138	..	122	123	114	..	125	..
Czechoslovakia	..	..	114	115	118	115	113	101
Denmark	108	108	109	113	110	109	109	99
Finland	101	107	107	106	98	95	110	113
France	106	109	98	96	101	109	114	103
Germany : Western zones	137	129	119	122	131	136	135	100
Greece	122	111	119	122	131	132	127	94
Hungary	142	..	147	134	136	..	133	..
Ireland	108	110	114	115	113	106	..	..
Italy	103	104	113	112	112	116	119	104
Netherlands	112	112	109	108	115	111	115	98
Norway	106	110	108	107	109	108	105	103
Poland	122	..	..	122	118	..	126	..
Spain	97	112	116	111	114	104	..	98
Sweden	..	..	104	105	104	107	105	99
United Kingdom	107	107	109	108	109	110	106 [a]	99 [a]
Total of countries listed	111	110	110	110	113	115	114 [a]	101 [a]
U.S.S.R.	117	120	122	121	124	..	118	..

Source : Table I.

[a] The published index of production for the United Kingdom is not adjusted for the changing position of Easter. The indices shown here have been arrived at by using as index of production for the United Kingdom in the first quarter the average of the first four months. This accounts for differences between this table and Table I.

Table 6

EUROPE'S IMPORTS OF CERTAIN RAW MATERIALS

Thousands of tons

Quarterly averages or quarters

	1938	1948	1949	1949	1950				1951
				Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter
Mineral oil	9,726	12,627	14,243	14,829	14,814	17,107	18,610	18,906	19,795
Copper	326	212	214	190	214	251	202	234	256
Raw wool	244	190	224	197	244	259	195	191	230
Hides and skins	134	97	112	99	125	129	104	132	132
Raw cotton	478	331	419	387	505	473	424	417	455
Rubber	109	133	133	136	158	143	148	182	199

Source : Table XIX.

Neither European engineering nor textile production showed divergent movements from the total, both remaining at the level of the fourth quarter of 1950, which was 17 per cent above the first quarter for engineering and 10 per cent for textiles. A significant decrease by 6 per cent from the high level of the preceding quarter occurred in engineering in the United Kingdom, probably as a result of the shortage of steel, and also of re-conversion to military production : good progress was registered in France and in Italy (5 per cent), as well as in Western Berlin.

As between countries, the movements of textile production were fairly varied. In Belgium and France there was little change between the December and March quarters, in the United Kingdom, Spain and Greece, textile production fell from the high levels prevailing in those countries at the end of 1950 ; in most other countries there were moderate increases.

Chemical industries showed best progress in the quarter, increasing their output by 4 per cent over that of the preceding one, to a level about one-fifth above that of a year before. Developments in individual countries lacked uniformity owing to partly localized shortages of coal and other materials such as sulphur.

Supplies of Fuel and Raw Materials

Shortages made themselves felt throughout the first months of 1951, the most important being those of coal and steel, but imported materials, such as sulphur and non-ferrous metals, were also scarce. However, clear-cut cases of restrictions in production as a result of lack of fuel or raw materials have perhaps not been as widespread as was generally expected at the end of 1950. Europe's imports of raw materials of overseas origin (see Table 6), such as copper, wool, and hides and skins, were slightly above the average quarterly rate of 1950. Arrivals of mineral oil and rubber have never been so high and were in fact running at about twice the pre-war level. Cotton imports were fairly well maintained in spite of the bad American harvest of 1950, but they were below the level of either of the first two quarters of 1950.

An over-all shortage of coal still looms large on the European economic horizon. The continued disequilibrium is illustrated by the fact (see Table VI) that hard coal production rose only 2 per cent between the first quarters of 1950 and 1951, while industrial production increased by 14 per cent.

So far the shortage has been met by increased imports of coal from the United States,[1] reductions in stocks and economies in consumption. Considerable margins for further economy seem still to exist in certain countries. Imports of American coal, on the other hand, which were originally expected to be at the rate of about 12 million tons a year, may have to be increased substantially. Some estimates put requirements from the United States for 1951 at over 20 million tons. The coal problem is likely to

[1] The development of these imports was as follows :

Monthly Shipments of US Coal to Europe (thousands of tons)

1950		*1951*			
November	*December*	*January*	*February*	*March*	*April*
15	73	485	843	1,551	1,590

remain intractable as long as the economical use of coal is discouraged by the low level of domestic prices in the principal producing countries—western Germany and the United Kingdom—and a rational distribution by qualities and areas is hampered by bilateral agreements.

Production of crude steel (Table VIII) in the first quarter just managed to maintain itself at the level of the preceding months. It was 11 per cent above the level reached in the corresponding period of 1950, whereas the increase in engineering production over the same period was 17 per cent. The smaller producers—Belgium, Luxembourg, the Saar and Italy—showed increases, but the major producers—western Germany, France and the United Kingdom—receded somewhat (2 to 5 per cent) from the preceding levels, mainly as a result of shortages of coke in the first two countries and of scrap and ore in the third.[1] Production in April and May was higher, however, particularly in western Germany, and the level of the last months of 1950 was surpassed. More recently, western German production has for the first time exceeded the yearly rate of 14 million tons and is thus nearing the capacity limit. During April, May and June, 13 per cent of total German steel output was produced with coal imported from the United States in exchange for deliveries of steel.

The unsatisfactory development of steel production in the first quarter brought about some falling-off in net European exports of finished steel. After having more than doubled from the third to the fourth quarter of 1950, these exports declined by 25 per cent in the first quarter of 1951.[2] Shortages of steel, particularly for certain qualities, such as flats, are now widespread, delivery periods (already up to 3 years in Germany) are still lengthening and prices have risen continuously. Controlled internal prices have been raised somewhat in recent months in the United Kingdom, France and Western Germany, to make up for rising costs. The evolution of Belgian export prices on free markets, which reflects demand more closely, has, as usual, been spectacular : quotations for merchant bars, which were 4,750 Belgian francs in September 1950, and 6,000 francs in December, rose to 7,000 in March and 7,500 in June.

In the United Kingdom, as is shown in Table X, a 10 per cent fall in the production of passenger cars took place in the first quarter of 1951, as a result of the shortage of sheet steel, and the output of commercial vehicles also decreased in April and May. In the other producing countries, the output of motor vehicles has tended to become stabilized in recent months.

As anticipated, the supply outlook for softwood gives no cause for alarm. The situation with regard to pitprops appears less satisfactory and the price of pulp continues to rise.

No unified picture is gained from the study of the balance between supply and demand for imported raw materials—non-ferrous metals, sulphur, rubber and textile fibres. The only increases in world production in relation to the preceding quarter were those of natural rubber (11 per cent), tin (8 per cent), zinc and Italian sulphur. The position in respect of tin and sulphur was dominated by changes in United States raw materials policy : the rate of growth of the tin stockpile was reduced as compared to the latter half of 1950, and United States stocks of sulphur were substantially increased for the first time for a considerable period ; exports to Europe decreased by 25 per cent in relation to the 1950 average. Nevertheless, stocks of sulphur in the United Kingdom increased by 20 per cent in the course of the first quarter, because consumption was sharply curtailed.

Generally, European countries are becoming increasingly conscious of the need for allocation measures.[3] Only in a few countries, however—in particular the United Kingdom—have these measures actually borne fruit. As a result, some reduction in total European consumption has probably occurred in the case of copper and zinc, and stocks of copper have increased. On the other hand, stocks of tin and lead have apparently declined.

European rubber supplies have benefited from a strong reduction in United States consumption of natural rubber ; purchases by the U.S.S.R. and China also declined.

In the field of textiles, cotton consumption was at a level similar to that in the preceding quarter, but in

[1] Both German collection and German exports of scrap fell between 1950 and the first quarter of 1951, exports by more than half. At the same time, an increased proportion of Germany's exports went to the United States. There are no signs of substantial increases in European production of iron ore ; European supplies were affected by Algerian shipments to North America during the first quarter, and by the shipping shortage.

[2] European steel exports to the United States have, however, increased by more than 30 per cent.

[3] In a number of countries—e.g., western Germany, the Netherlands, Austria and Italy—legislative and other measures have been taken to enable governments to introduce allocation schemes and impose direct controls when the necessity arises.

the United Kingdom it was notably lower ; United Kingdom stocks were falling, as also output per head in the industry, thus providing some evidence of a shortage of supplies.

In general, it may be said that in spite of the fact that only in a few instances has production clearly been directly reduced by raw material shortages, it is obvious that the supply position is in many respects tight enough to slow down industrial activity because of irregularities in the flow.

Industrial Employment

Total European employment in industry did not rise in the first quarter and unemployment appeared to show normal seasonal increases in countries where it is heavy, notably Italy, Belgium and western Germany. At a rough calculation it appears that over Europe as a whole, countries where there is substantial unemployment produce one-third of the quantum of total European industrial production.

3. International Trade and Payments

Import and Export Prices

The influence of movements in world prices of raw materials upon the import unit values of European countries has already been noted. In general, the import unit values of food and raw materials mirror the movements of world prices with a certain lag (see section 1). Despite the relative stability of world market quotations for foodstuffs in general (see Table 1 and discussion above) import unit values for food are likely to rise more in the future, particularly for the United Kingdom, which is, of course, the largest importer of food, on account of upward revisions in contract prices at the beginning of the year—a tendency which will also be strengthened by the resumption of meat imports from Argentina at higher prices.

By the end of 1950, prices of manufactured goods were still relatively low, with few exceptions—e.g., for semi-manufactured metals exported from Belgium. It appears, indeed, that in the last quarter of 1950 practically all the relevant index numbers were less than 10 per cent above the second quarter level. During the first quarter of 1951, however, the indices for all countries considered in Table 7 rose appreciably. In general, the largest increases occurred for products incorporating a large proportion of raw materials. For instance, the unit value of textile exports from the United Kingdom rose by more than 20 per cent, while metal manufactures rose only 7 per cent, and in Sweden the export price index for paper increased by 56 per cent as compared to only 4 per cent for machinery. In Germany also, the index numbers relating to the more highly finished commodities rose less than others.

It is impossible to distinguish to what extent the relatively limited increase in the prices of manufactured products is due to the fact that producers have attempted to keep their prices low, and to what degree demand for manufactured products has been less urgent than might have been expected. It appears, however, that competition has remained active with regard to numerous commodities in a number of markets, and that the endeavour to keep customers' goodwill has played a certain role. On the other hand, it must not be forgotten that delivery periods for many manufactured goods are still very long, and that current export unit values are therefore affected by past, and presumably lower, contract prices.

The differences in the price movements for the various commodity categories have caused a further deterioration in the terms of trade of practically all the countries of Europe (Table 8), and particularly in the case of the large industrial nations. The only notable exceptions are Sweden, Norway and Belgium, the two former because of the importance of forest products and specially wood pulp among their exports, and in the case of Belgium, mainly because of the very high price that steel has fetched in free markets.

For Europe as a whole it appears, on the basis of a rough calculation, that import prices from overseas rose by about 12 per cent between the last quarter of 1950 and the first quarter of 1951, whereas export prices to overseas rose by only 6 per cent. The resulting deterioration in the terms of trade by about 6 per cent further strengthens a tendency which began with the devaluations of September 1949. This further modification of the terms of trade to the disadvantage of Europe explains, at least in part, the deterioration in Europe's balance of overseas

Table 7

UNIT VALUE INDICES IN NATIONAL CURRENCIES

Second quarter 1950 = 100

Country	Type of index [a]	1950		1951
		Third quarter	Fourth quarter	First quarter
United Kingdom :				
Total imports	P_3	103	113	128
Food		100	103	106
Raw materials		108	126	158
Manufactures		102	110	117
Total exports		102	105	111
of which : Manufactures		101	105	111
Textile manufactures		103	109	121
Metal goods		101	103	107
Switzerland :				
Total imports	P_2	100	107	117
Food		101	109	111
Raw materials		102	112	129
Manufactures		97	101	110
Total exports		98	102	104
of which : Manufactures		98	100	102
Germany : Western zones				
Total imports	P_1	100	109	117
Food		100	104	102
Raw materials		103	123	143
Manufactures		91	97	106
Total exports		102	104	109
of which : Manufactures : total		98	101	108
semi-finished		98	103	113
finished		99	101	106
Italy :				
Total imports	P_4	101	107	123
of which : Manufactures		99	104	118
Total exports		98	103	108
of which : Manufactures		101	105	111
Sweden :				
Total imports	P_3	101	108	117
Total exports		103	115	134
Total excluding Machinery and transportation		115	118	137
of which : Wood products		102	108	125
Wood pulp		111	147	181
Paper		106	118	156
Machinery		99	98	104
Belgium :				
Total imports	P_1	102	112	123
of which : Raw materials		102	121	139
Total exports		104	111	129
of which : Semi-products		103	115	133
Finished products		102	105	113
France :				
Total imports	P_1	102	110	125
of which : Raw materials and semi-products		102	115	135
Total exports		100	102	109
of which : Manufactures		101	102	108

Sources and Methods : See page 254 of the 1950 SURVEY.

a P_1 : unit value index with moving current weights,
P_2 : unit value index with fixed weights,
P_3 : unit value index with moving anterior weights,
P_4 : unit value index with moving crossed weights.

Table 8

TERMS OF TRADE OF SELECTED EUROPEAN COUNTRIES [a]

Index numbers — January-September 1949 = 100

Country	1949	1950				1951
	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter
Austria	91	107	113	106	116	133
United Kingdom	102	106	107	106	115	124
Netherlands	104	100	108	116	113	112
Sweden	100	108	109	107	103	95
Denmark	101	108	112	116	112	115
Norway	108	113	114	107	105	103
France	102	103	108	110	117	124
Germany : Western zones	125	122	120	117	124	134
Belgium-Luxembourg	100	111	115	113	116	110
Italy	103	97	99	101	103	112
Switzerland	93	94	90	92	94	100
Turkey	83	76	84	82	62	..

Source : Table 7.

[a] The ratio of the import-price index to the export-price index.

payments, particularly with the overseas sterling area, of which more will be said below.

The Volume of Trade

At the end of 1950, a large increase had taken place, both in Europe's overseas exports and in intra-European trade, with volumes exceeding the average level of 1949 by roughly one-half. Overseas imports, on the other hand, had remained approximately at the level of early 1950. The SURVEY suggested[1] that, in view of the high rate of industrial production toward the end of the year, stocks of imported raw materials were being drawn upon, and it may also be the case that stocks of exportable goods were likewise run down. It is, therefore, not surprising that the volume of exports during the first quarter of 1951 did not rise further ; even in value, the total exports of the ten western European countries, shown in Table 9, were slightly down.

[1] See SURVEY, Chapter 1.

Table 9

QUARTERLY VALUES OF EXPORTS FROM 10 WESTERN EUROPEAN COUNTRIES [a]

Millions of dollars

Area of Destination	1949	1950				1951
	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter
Europe	2,057	2,216	2,301	2,420	2,952	3,026
United States and dependencies	188	185	194	284	397	392
Overseas sterling area and dependent overseas territories	1,011	1,087	1,118	1,141	1,456	1,435
Other overseas countries	568	579	581	635	817	762
TOTAL	3,824	4,067	4,194	4,480	5,622	5,615

Sources : See 1950 SURVEY, pp. 244 *et seq.*

[a] The United Kingdom, France, the Netherlands, Belgium-Luxembourg, Switzerland, Italy, Denmark, Sweden, Norway and western Germany.

Index numbers of the volume of total exports of the countries of Europe (Table XVI) show considerable variations from one country to another, although the decline in the volume affected them nearly all, even western Germany whose export volume had been rising without interruption until the end of 1950. For certain countries, such as Sweden, Finland, Ireland and Switzerland, the decline may in part be due to seasonal influences, and in others may be explained by the fact that exports during the preceding quarter had been exceptionally high. However, the reduction in the volume of exports of the United Kingdom, which stood at about the same level as in the first quarter of 1950, cannot be explained in this way. In fact, the British export position is entirely different from that of the other countries of Europe, whose total exports exceeded the volume of a year ago by about one-third. It seems likely that a number of causes have contributed to bring about this situation, including policy restriction in certain lines, limitations of production capacity and port congestion.[1]

The trade development of the Belgium-Luxembourg Customs Union constitutes the most notable exception to the general reduction which occurred in early 1951, with exports to practically all destinations continuing the increase which began towards the end of 1950. Owing to the existence of unused capacity, the Belgian economy was able to adapt itself speedily to increased demand both at home and abroad.

The slight decline in the volume of intra-European trade is largely seasonal. Belgium's exports increased to almost every other country of Europe, and partly compensated reductions elsewhere—e.g., from Sweden. Western Germany's imports were reduced by controls, particularly those from Italy, the United Kingdom and Eastern Europe. Other countries (for instance, Austria, Switzerland, France and the United Kingdom), on the other hand, increased their imports, the United Kingdom particularly from France, Netherlands and Norway. Intra-European trade in foodstuffs continued to grow, while reductions occurred in respect of European raw materials such as coal and iron ore, and (mainly for seasonal reasons) timber and wood-pulp also. Semi-manufactured and manufactured goods showed various movements which will be discussed below.

Trade between the eastern and western countries of Europe remained at a very low level, as is shown by Table XVII, where the current values of trade between ten western countries and the east are shown to have remained roughly constant, indicating that volumes have diminished. A small increase in the value of exports from the west occurred mainly in respect of Yugoslavia. However, an increase should be noted in the exports of the U.S.S.R. to Italy

[1] Although United Kingdom exports rose in April-May to 13 per cent above the first quarter figure, they are now reported to have fallen badly in June. The total volume for the second quarter was about 7 per cent above the first, but this did not improve the United Kingdom's relative position, as there were similar developments in other European countries.

Table 10

QUARTERLY VALUES OF IMPORTS INTO TEN EUROPEAN COUNTRIES[a] FROM OVERSEAS

Millions of dollars c.i.f.

Area of origin	1949	1950			1951
	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter
United States and dependencies	763	719	671	631	675	784
Canada and Latin America	590	520	622	639	696	617
Sterling area, including dependent territories	772	942	969	931	1,155	1,551
Other overseas, including dependent overseas territories	605	698	778	713	889	1,079
TOTAL	2,730	2,879	3,040	2,914	3,415	4,037

Sources: See 1950 SURVEY, page 244 *et seq.*

a The United Kingdom, France, the Netherlands, Belgium-Luxembourg, Switzerland, Italy, Denmark, Sweden, Norway and western Germany.

and the United Kingdom, consisting mainly of cereals and hides and skins.

The relative constancy of the over-all import volume indices of Table XVI and the fact that a small reduction occurred in the volume of intra-European trade, imply that imports from overseas increased in the first quarter of 1951 above the level of the previous quarter. In fact, they rose by about 5 per cent in volume and, because of the 12 per cent in price rise, by about 18 per cent in value (Table 10). However, the increase was not general. The value of imports from Canada and Latin America declined by more than one-tenth, but rose by 16 and 35 per cent from the United States and the overseas sterling area, respectively.

At the end of the quarter the most outstanding feature of Europe's overseas trade remained the fact that, in comparison with the pre-devaluation period, the volume of exports was about 50 per cent higher, whereas the volume of imports has hardly risen.

Commercial Policies

Despite the changed world situation, particularly characterized by the reappearance of a seller's market for many products, governments whose main endeavour had previously been to increase exports were relatively slow in adopting policies tending to limit the exports of certain commodities.

In the face of the general shortage of raw materials and semi-manufactures, practically all countries have attempted to protect their domestic requirements either by export prohibitions or by quantitative restrictions for such commodities as non-ferrous metals, scrap, textile raw materials, and even certain manufactured goods. For completely different reasons, other countries, notably Germany and Austria, have

Table 11

EUROPE'S TRADE WITH THE UNITED STATES

Millions of dollars in current prices f.o.b.

	1950				1951
	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter
Imports from the United States :					
Grains and preparations	150	104	87	117	209
Other food products	72	49	41	69	62
Tobacco, raw and manufactured	21	29	73	80	32
Coal and related products	1	2	—	5	38
Raw cotton	165	185	75	136	127
Machinery	119	133	117	124	111
Vehicles	74	54	37	27	41
Other items	210	229	176	215	236
Total	812	785	606	773	856
Exports to the United States :					
Metals and manufactures	30	51	72	117	131
Machinery	5	7	7	11	13
Chemicals and related products	11	14	17	33	50
Textiles and manufactures	55	51	64	82	93
Precious stones and metals, jewellery, etc.	14	12	19	18	33
Other items	157	148	201	231	223
TOTAL	272	283	380	492	543

Sources : The figures have been derived from *United States Exports of Domestic and Foreign Merchandise* and the corresponding volume for imports, Series No. F.T. 420, and F.T. 120, respectively.

NOTE. — Data subsequent to June 1950 exclude goods in "special categories".

introduced import restrictions to meet payments difficulties, particularly within the framework of the European Payments Union, which represented substantial alterations in the trade liberalization policies previously pursued. In the case of western Germany, these restrictions began to bear fruit from March onwards. Other countries participating in the O.E.E.C. have been affected by the German trade restrictions and have obtained dispensation from liberalization measures, in particular Denmark, the Netherlands and Turkey.

Apart from the quantitative restrictions mentioned, certain governments have introduced export taxes, notably in countries producing raw materials. Similar measures, though of lesser scope, can be noted in France, where certain fiscal exemptions for export goods have been abolished.

Trade with the United States (Table 11)

An increase of about $80 million in the value of imports and a continuation of the upward trend in the value of exports formed the main general features of Europe's trade with the United States in the quarter. The value of imports of cereals was about 40 per cent greater than in the first quarter of 1950 (although the quotation for United States wheat rose only 9 per cent between the two periods) ; cereals more than accounted for the increase in total value over the last quarter of 1950 : the remainder of the change was made up from the net effects of a seasonal decline in tobacco ($50 million), and moderate declines in cotton and machinery, offset by increases in vehicles and " other goods ".

Exports reached a value which was about a quarter of a billion dollars, or 100 per cent greater than in the first three months of 1950 ; the increase over the December quarter was $50 million. Exceptional exports of industrial materials such as steel, non-ferrous metals, chemical products and industrial alcohol, were partly responsible for the high total, but it is not possible to distinguish the temporary from the permanent causes of the present low level of the deficit in Europe's balance of trade with the United States.

Exports of Manufactured Products at the end of 1950 and the beginning of 1951

So much attention has generally been paid to problems connected with raw materials, including such " abnormal " trade currents as the supply of metals and other basic products to overseas countries, that another important development—namely, the expansion in European exports of manufactured products—has recently received little attention. In considering Table 12, which compares the volume of exports from five major European countries, separately to European and overseas destinations, during the six months from October 1950 to March 1951, to the level in the first three quarters of 1950, it should be borne in mind that European exports were already 20 per cent greater during the first nine months of 1950 than in the corresponding period of 1949 and during the year 1938. Although the figures are subject to many reservations, particularly as regards the price indices used to translate values into volumes, they clearly bring out that the increase in the volume of exports since the outbreak of hostilities in Korea was of the order of 20 per cent. This increase seems to have affected consumers' goods as much as, if not slightly more than, investment goods.

On the other hand, the position of the various countries has shifted considerably. The United Kingdom, for instance, increased its exports of manufactures by only 7 per cent, and practically the whole increase was concentrated upon consumer's goods and chemical products, whereas metals, machinery and vehicles remained unchanged. This development is partly the effect of conscious economic policy ; nevertheless, the contrast with western Germany is striking. Western German exports increased by about 70 per cent in volume and now exceed the pre-war level.[1] The increase was been largest in the case of exports to overseas countries ; the value of these exports is, however, still relatively small. Exports of consumers' goods and chemical products increased the most ; exports to overseas destinations of several categories of goods doubled ; exports to Europe of metals rose by 30 per cent (i.e., at the same rate as exports from Belgium, but involving larger quantities) and of machinery by 40 per cent.

In order to bring out more clearly the impact of renewed German competition in the world markets, particularly for metals and metal products, machinery and chemicals, the total values (at pre-devaluation prices) of Germany's exports in these three categories, and of manufactured goods as a whole, have been

[1] This comparison excludes inter-zonal trade.

Table 12

INDEX NUMBERS[a] OF EXPORTS OF MANUFACTURED GOODS FROM FIVE EUROPEAN COUNTRIES FOR THE PERIOD OCTOBER 1950 TO MARCH 1951

January-September rate 1950 = 100

Commodity group	To Europe						To Overseas Countries						To the World					
	United Kingdom	France	West. Germany	Belgium [a]	Italy	Total	United Kingdom	France	West. Germany	Belgium	Italy	Total	United Kingdom	France	West. Germany	Belgium	Italy	Total
3. Metals	102	114	129	131	102	120	104	124	226	173	91	132	103	120	160	149	95	127
4. Machines	99	114	141	98	125	115	103	123	210	126	131	114	102	120	156	109	128	114
5 and 6. Vehicles	99	131	157	124	147	114	101	142	217	147	86	109	101	138	170	137	115	111
7. Chemicals	125	103	167	138	119	137	126	135	246	107	179	141	125	120	190	122	142	139
8. Textiles	115	123	171	111	110	118	113	118	224	110	155	120	113	120	182	111	130	119
9. Other goods	117	139	173	136	125	133	108	139	241	108	120	119	111	139	190	120	122	124
8 and 9. Consumers' goods	116	128	172	117	112	123	111	126	234	109	149	120	112	127	187	114	129	121
3, 4, 5, 6. Producers' goods	100	118	136	124	128	117	103	127	221	163	106	119	102	124	159	141	116	118
3 to 9. Total of manufactured goods	107	120	146	123	117	121	107	127	227	137	133	121	107	125	168	129	125	121

NOTE. — In principle this table was constructed by the same methods as figures whose derivation was described in the 1950 SURVEY on pp. 249-251, with the following exceptions :

(i) Belgian exports to "Europe" comprise only those to Germany, France, the Netherlands, Switzerland, Denmark, Finland, the United Kingdom, Sweden, Italy, Norway, Portugal, Czechoslovakia and the U.S.S.R., exports to other European countries being included in those to "overseas". (This procedure was made necessary by the lack of a completely detailed list of country destinations in the current Belgian publication.)

(ii) The price deflations were applied separately for the two quarters of the period October 1950-March 1951 (whereas the SURVEY employed a single average deflator for the whole period there covered).

a Index numbers of value at January-September 1949 prices.

Table 13

WESTERN GERMAN EXPORTS
AS A PERCENTAGE OF BRITISH EXPORTS

Both at 1949 pre-devaluation prices

Commodity group	Jan.–Sept. 1949	Jan.–Sept. 1950	Oct. 1950 – March 1951
Group 3			
Metals and manufactures:			
To Europe	73	151	182
To overseas	12	24	53
To the world . . .	30	56	87
Group 4			
Machinery :			
To Europe	27	64	91
To overseas	2	8	16
To the world . . .	9	25	38
Group 7			
Chemical products :			
To Europe	67	155	208
To overseas	6	24	46
To the world . . .	23	59	89
Groups 3-9			
All manufactured :			
To Europe	31	56	76
To overseas	3	8	18
To the world . . .	11	22	35

Sources: See 1950 SURVEY, pp. 244 *et seq.*

compared in Table 13 to those of the United Kingdom. For each one of the periods and commodity groups considered the data shown in the table express the value of Germany's exports as a percentage of the value of British. German exports are highest in relation to British exports in the case of metals and manufactures and chemical products shipped to European destinations, but even to overseas destinations exports in these categories are already half the size of British—a high figure for a country which does not benefit from commercial preferences accorded to the mother country in dependent or associated overseas territories.[1]

[1] It is not possible at the present time to provide figures for 1938 in Table 13, but the broad orders of magnitude appear to have been as follows (all manufactured goods) : to Europe 185, to overseas 25, to the world 65, these being the estimated values of exports from western Germany in 1938 as a percentage of the corresponding United Kingdom figure, at current prices.

Thus Germany has been able to take advantage of the change in the world market situation to reintroduce herself as one of the great suppliers of finished products without giving rise to violent reactions from her competitors. Her progress as an exporter has developed further since the first quarter of the current year, and German competition would become one of the major factors in the field of international trade should demand in world markets become less pressing. Once the new distribution of economic forces in Europe is more generally understood there may be serious economic consequences to be considered by a number of countries.

French exports to overseas countries have increased by about one-quarter in nearly all categories and so have exports of consumers' goods and vehicles from France to other European countries. France's exports of metals and machinery to Europe, however, have risen only 14 per cent. Belgium, on the other hand, has considerably increased her exports of metals both to Europe and, more startlingly, to overseas. Italy, also, has increased exports of investment goods to Europe.

Balance of Payments

The delayed impact of earlier price rises in primary products and the failure of European countries to sustain and increase the export levels reached during the last months of 1950 brought about a sharp deterioration in Europe's overseas payments position during the first quarter of 1951. As shown in Table 14, the trade deficit of ten European countries [2] with all overseas areas rose abruptly from $315 million during the fourth quarter of 1950 to $944 million during the quarter under review. Although the deterioration of the balance characterized Europe's trade with almost all overseas areas specified in the table, the overseas sterling countries accounted for by far the largest part of the increased deficit. The unfavourable development of the terms of trade therefore appeared to be rapidly shifting the balance of payments problem of Europe to the sterling sector of its overseas trade.

It is probable, however, that the trade figures overstate the actual worsening which took place in the current account position of European countries

[2] United Kingdom, France, Netherlands, Belgium-Luxembourg, Switzerland, Italy, Denmark, Sweden, Norway and western Germany.

Table 14

TRADE BALANCES OF TEN EUROPEAN COUNTRIES [a] WITH MAJOR TRADING AREAS

Millions of current dollars, f.o.b.

Area	1950			1951
	First quarter	Fourth quarter	Quarterly average of whole year	First quarter
Europe	+ 39	+163	+103	+ 38
United States	−444	−193	−324	−294
Canada	− 44	− 30	− 36	− 38
Latin American Republics	− 20	− 23	− 67	− 8
Overseas sterling area	− 99	− 49	− 66	−412
Dependent overseas territories	− 20	+ 18	− 24	− 46
Other overseas countries	− 41	− 38	− 43	−146
Total overseas countries	−668	−315	−560	−944
Total world	−629	−152	−457	−906

Sources: Calculated from Table XVII.

NOTE. — C.i.f. import figures have been adjusted to an estimated f.o.b. basis by a deduction of 5 per cent in intra-European and 12.5 per cent in overseas trade.

a United Kingdom, France, Netherlands, Belgium-Luxembourg, Switzerland, Italy, Denmark, Sweden, Norway and the three western zones of Germany.

during the first quarter of the year. Clearly the present level of raw materials prices has yielded some improvement in Europe's earnings from overseas investments, although no accurate statistics are as yet available on this aspect.[1] Similarly, the rise in charter freight rates, amounting to over 60 per cent between the quarter under review and the preceding three months, as well as the increased volume of world trade in general, have enhanced the net foreign exchange earnings of European fleets, thus offsetting some of the increase in trade deficit.

Although the current account deficit of European countries *vis-à-vis* overseas areas thus increased considerably during the first quarter of 1951, this deterioration did not cause any particularly acute financing difficulties. It is clear from the figures given in Table 14 that the main burden of financing Europe's increased overseas deficit fell on the United Kingdom, which, as the banker of the sterling area, was able to obtain automatically short-term credit from other sterling countries in the form of increased sterling balances. Other European countries belonging to the European Payments Union, in turn, benefited from the same credit facilities through the mechanism of the Union. But, what is more important, a large share of Europe's imports from the overseas sterling area and other primary producing countries during the first quarter of 1951 was presumably financed through advance payments made during the last months of the preceding year, payments which at that time heavily strained the mechanism of the EPU and the foreign exchange reserves of several European countries.

The changes in the pattern of Europe's dollar trade during the first quarter appear to have been relatively small. Europe's trade deficit with the United States was almost the same as during the fourth quarter of 1950,[2] but, as shown in United States' balance-of-payments estimates in Table XV, the balance on goods

[1] A study of British foreign investments (*United Kingdom Overseas Investments, 1938-1948*, Bank of England, 1950) gives an indication of the order of magnitude of the effect that sales of raw materials may have on British investment income. The investment fields most likely to be affected (" Commercial and Industrial ", " Mines, other than gold ", and " Rubber ") provided in 1948 $76 million, or about one-third of the total share dividends received from abroad.

[2] In Table XV, Europe's imports from the United States include shipments under the Mutual Defense Assistance Program, which were financed through grants by the United States Government. The amount of these shipments was approximately $250 million in both the fourth quarter of 1950 and the first quarter of 1951.

and services deteriorated because of the reversal of the surplus on service transactions, which had prevailed throughout 1950, to a small deficit. The disappearance of this surplus was mainly the result of a steep rise in European payments for shipping (from $94 million in the fourth quarter 1950 to $153 million), which reflected an increase in Europe's dependence on United States shipping for the haulage of coal imports and other cargoes for which European tonnage could not be obtained, and also an increase in the use of American bunkering facilities, as a result of the coal shortage.

In spite of the danger of a tighter supply situation in the United States, the prevailing tendency in Europe during the first quarter was to continue building up convertible exchange reserves,[1] with gold enjoying a distinct preference over dollar claims. The strength of this preference is illustrated by the fact that some countries—as, for instance, the United Kingdom and France—not only exchanged their current dollar surplus into gold, but also used some of their previous dollar balances to make purchases of gold. In all, European gold purchases from the United States amounted to $593 million during the first quarter, or $41 million more than during the preceding three months. Almost two-thirds of this was bought for the United Kingdom account, indicating that nearly the whole of the sterling area's gold and dollar surplus during the quarter was converted into gold.[2]

As during the preceding quarter, a large part of this improvement in Europe's dollar position and convertible reserves was due to its currency ties with the overseas primary producing areas. Some of the changes in this pattern of multilateral transfers of dollars can be traced in the regional balance-of-payments estimates of the United States given in Table XV. Although the figures are affected by errors and omissions (the net effect of which shifted considerably, from *plus* $90 million in the last quarter of 1950 to *minus* $84 million in the first quarter of 1951), it appears that the overseas sterling area alone transferred a net sum of almost a quarter of a billion dollars to the central reserves in London, these transfers being offset by a corresponding increase in the United Kingdom's sterling liabilities.[3]

It is the increase in these sterling balances which is likely to become a crucial point in Europe's balance-of-payments problem during 1951. During the second half of 1950 alone, the United Kingdom's short-term liabilities to the sterling area rose by $460 million.[4] In view of the developments on trade account between the United Kingdom and the overseas sterling countries, it is probable that the rate of increase in sterling balances accelerated considerably during the first quarter of 1951.

Within the European Payments Union, the sterling area's abnormally large clearing surplus fell rapidly from $354 million during the last three months of 1950 to $116 million during the first quarter of 1951. Since then, the sterling area has even moved into a deficit position during the month of May. Probably, the change can largely be attributed to the cessation of the capital outflow from the other EPU countries to the sterling area which had occurred during the last quarter of 1950 in the form of large speculative purchases of raw materials in anticipation of higher prices

[1] The continuation of American aid at a high level and the improved yield of dollar exports would have made an even larger increase in imports from the United States possible in most countries. United States Government grants and credits to European countries during the first quarter of 1951 were $828 million, or only slightly less than during the first and the fourth quarters of 1950. Economic aid, however, has decreased considerably since the beginning of 1950, when shipments of military aid were insignificant.

[2] The United Kingdom's gold and dollar reserves increased by $458 million during the quarter, reaching a new record level of $3,758 million. During this period, the United Kingdom acquired $406 million worth of gold from the United States, and, presumably, a further unknown amount from the gold-producing countries of the sterling area.

During the second quarter this accumulation of gold and dollar reserves by the United Kingdom slowed down considerably. The total increase during the quarter was only $109 million, of which $54 million represented the gold and dollar surplus of the sterling area. The main factors in the decline of the surplus are reportedly increased dollar imports by the entire sterling area, a fall in the export receipts of the overseas members of the group, and a drop in gold receipts from the EPU, which amounted to only $17 million during the quarter. The first factor, as far as the overseas sterling countries are concerned, may indicate an increased desire to spend dollar earnings for imports instead of transferring them to the central pool in London against sterling balances.

[3] This may be deduced from the entry of *minus* $242 million for errors, omissions and multilateral settlements of the overseas sterling area, offset by *plus* $311 million for the United Kingdom. The table also indicates that the dependent overseas territories of other European countries, mainly France, Netherlands, Belgium and Portugal, may have transferred a small net amount of dollars to the metropolitan reserves. In view of the uncertainty of figures given in the table, however, the estimate of $25 million for " errors, omissions and multilateral settlements " of this area cannot be taken as positive evidence of the direction or size of its dollar transfers.

[4] This increase in liabilities, however, was amply covered by a sharp rise in the international assets of the United Kingdom in form of gold, dollars and claims on the European Payments Union, which amounted to $1,126 million during the same period.

Table 15

TRADE AND CLEARING BALANCES OF THE STERLING AREA [a] WITH OTHER MEMBERS OF THE EUROPEAN PAYMENTS UNION

Millions of current dollars

Year and quarter	Imports (*f.o.b.*)	Exports (*f.o.b.*)	Trade balance	Clearing balance [b]	Difference
1950 III	546	651	+112	+ 96	+ 15
IV	701	863	+162	+380	−218
1951 I	776	985	+209	+157	+ 52

Sources: Foreign Trade of Participating Countries, O.E.E.C., June 1951, and E.P.U. reports. Imports have been adjusted to an estimated f.o.b. basis.

a Excluding Iceland, which is included under "Other members of the E.P.U.".

b Net balances before adjustments for the use of existing resources.

and possibly also appreciation of the pound sterling. Table 15 shows the development of recorded merchandise trade and the clearing balances between the sterling area and the other members of the European Payments Union.

The contrast between the increasing trade surplus and the decreasing clearing balance of the sterling area underlines the importance of temporary and at least partially self-correcting capital movements during the early days of the European Payments Union. But it also points to the possibility that the present decline in the sterling area's cumulative surplus may be a temporary phenomenon largely achieved through the consumption of raw materials purchased earlier, but shipped only during the first months of this year. If the trade surplus of the sterling area remains at its present level—or declines slightly owing to somewhat lower raw material prices and seasonal factors—further clearing surpluses are likely to develop as the backlog of speculative purchases is gradually exhausted.

The other chief factor of strain in the payments relations of Western European countries since the establishment of EPU had been the heavy deficit position of Western Germany.[1] This country, however, began in March to show a small current surplus in its payments with EPU which has grown substantially since.[2] Whereas the elimination of the sterling area surplus tended to reduce the strain on the EPU system, the reappearance of a German surplus and the measures to bring about this change, have had serious repercussions on those countries whose trade with Germany constitutes an important part of their total trade. This is principally true of the Netherlands, which has become the main debtor country of EPU after Germany.

4. Eastern Europe and the U.S.S.R.

Economic developments in Eastern Europe and the U.S.S.R. have been substantially different from those in the rest of Europe, as a result mainly of the small influence of world market trends and of the planned and nationalized character of the economy. The main characteristics of these developments are described below.

Industrial Production

As will appear from Table 16, industrial production in the first quarter of 1951 increased by 19 per cent over the first quarter of 1950 in the six Eastern European countries for which data are available, and by 18 per cent in the Soviet Union, against a figure of 13-14 per cent for Europe as a whole.

[1] For a more detailed discussion of payments relations in Western Europe see chapter 4, section 7, of the Survey, where developments in the first quarter of 1951 are already taken into account.

[2] The monthly balance has developed as follows:

Millions of dollars

February	*March*	*April*	*May*	*June*
−58.3	+11.3	+45.1	+81.2	+46.8

Table 16

RATES OF INCREASE IN INDUSTRIAL PRODUCTION IN EASTERN EUROPE

Preceding year = 100

Country	1948	1949	1950	1951 (plan)	1st quarter 1951 *(I-1950 = 100)*
Bulgaria	121	130	123	122	125
Czechoslovakia	118	115	116	120 [a]	113
Germany (Soviet Zone)	126	120	126	118	113
Hungary	143	142	135	131	133
Poland	137	123	122	123	126
Rumania	151	140	137	124	131
Total of countries listed	128	123	124	121	119
U.S.S.R.	127	120	123	..	118

Sources: Reports on plan fulfilment. The weights are drawn from the SURVEY, Table 9.
a Figure derived from long-term plan target.

Considerable increases in the plan targets were decided at the beginning of the year in Czechoslovakia and Hungary, and also in Bulgaria. Their scope and the emphasis put on heavy industrial production are apparent from the following figures :

	Old plan target	*Revised plan target*	*Revised target as percentage of old target*
Czechoslovakia	*1953* (1948 = 100)		
Total industrial production	157	198	126
of which :			
Heavy industry	170	230	135
Light industry (including food)	150	170	113
Hungary	*1954* (1949 = 100)		
Total manufacturing production	186	310	167
of which :			
Heavy industry	204	380	186
Light industry	173	245	142

The annual rates of development in industrial production in the various Eastern European countries implied in the adoption of the revised plans are remarkably close to each other, all of them being of the order of 20-25 per cent, notwithstanding the different stages in industrial development achieved in those countries, and are on the whole—except in Czechoslovakia—somewhat below the results achieved in the earlier years of post-war reconstruction.

It will be noted in this connexion that, although over-all plans for the first quarter of 1951 were fulfilled throughout the area, the rates of increase over the corresponding quarter of 1950 achieved in the most industrialized countries, Eastern Germany and Czechoslovakia, were only two-thirds as great as those planned for the whole of 1951, and considerably lower than those of the other eastern countries, although equalling the all-European average.

The plan targets by which the development of the U.S.S.R. is to be governed after the completion of the fourth five-year plan are not known yet, but certain important hydro-electric and irrigation schemes have already been initiated. In Yugoslavia, efforts seem to be concentrated on mining, particularly of coal, and the construction of power stations.

Detailed figures on the rates of increase in production of a series of commodities both actual and planned will be found in Table 17. The relatively slower pace of the progress in production of energy and steel (except in the Soviet Zone of Germany) in relation to industrial production as a whole is apparent. It is in these sectors and also in engineering that a great number of partial underfulfilments of plans is reported.

The main shortages of raw materials reported during the period were steel and non-ferrous metals in Eastern Germany, Czechoslovakia and Poland, coal and electric power in Hungary, metals and building materials in the U.S.S.R. and imported raw materials in Yugoslavia.

Table 17

INDICATORS OF INDUSTRIAL PRODUCTION IN EASTERN EUROPEAN COUNTRIES

Index numbers

Product	Bulgaria			Czechoslovakia			Germany (Soviet Zone)			Hungary			Poland			Rumania		
	First quarter 1950 (I-1949 = 100)	First quarter 1951 (I-1950 = 100)	Plan targets 1951 (1950 = 100)	First quarter 1950 (I-1949 = 100)	First quarter 1951 (I-1950 = 100)	Plan targets 1951 (1950 = 100)	First quarter 1950 (I-1949 = 100)	First quarter 1951 (I-1950 = 100)	Plan targets 1951 (1950 = 100)	First quarter 1950 (I-1949 = 100)	First quarter 1951 (I-1950 = 100)	Plan targets 1951 (1950 = 100)	First quarter 1950 (I-1949 = 100)	First quarter 1951 (I-1950 = 100)	Plan targets 1951 (1950 = 100)	First quarter 1950 (I-1949 = 100)	First quarter 1951 (I-1950 = 100)	Plan targets 1951 (1950 = 100)
Coal	104	120	125	105	105	110	..	109	..	120	110	120	109	103	104	111	..	115
Lignite	..	..	..	..	107	109	..	113	..				..	..	..			
Crude oil	—	—	—	..	..	..	..	..	..	103	..	..	105	105	125	113	..	116
Electric power	136	126	136	110	110	110	114	109	115	121	..	123	115	118	111	109	..	116
Ore	..	..	..	..	113[a]	..	..	118[b]	..	..	109[c]	..	..	114[d]	113[c]	..	..	..
Pig iron	124	..	158	107[e]	109[e]	108[e]	143	103	114[e]	106	118	128	111	113	109	121	..	..
Crude steel		..	..				180	164		121		121	109	108	113	109	..	108
Caustic soda	..	..	..	..	..	..	..	119	..	..	..	..	114	125	110	107	..	..
Nitrogenous fertilizers	..	..	..	..	..	..	..	..	..	111	..	..	103	103	112	..	..	..
Timber		125[f]	111[f]	..	129[g]	..	..	..	100[g]	..	..	..	..	139[f]	..	..	..	..
Cement	161	120	106	107[h]	114[h]	..	123	122	123[h]	209	144	135	101	114	..	121	..	118
Bricks	..	..	..				..	..		..	149	..	138	..	137	162	..	..
Metal-cutting machine-tools	154	..	..		..	..	119[i]	..	..	125	..	..	..	127	161	..	..	..
Electric generators and motors	176[j]	..	..	124[k]	..	..	176[l]	132[l]	120[l]	..	..	..	..	..	157	..	313	..
Tractors	—	—	—		124	..	..	145	..	191	114	..	182	131	137	259	110	..
Cotton fabrics	..	145	112	113[m]	..	..	144[n]	140[n]	..	108	118	107	116	106	108	123	128	120
Wool fabrics	135	107	110						..	108	115	113	121	111	107	131	125	114
Leather footwear	191[o]	180[o]	148[o]	104[p]	..	..	131	136	..	166	145	..	148	105	145	160[o]	116[o]	121[o]
Paper	128	..	..	105	104	..	143	..	110[q]	..	..	..	113	111	115	107	..	..
Flour	105	140	118	..	..	..	..	111	..	..	133	..	..	..	..	..	138[r]	..
Soap	..	120	153	..	..	..	..	..	..	..	107	..	..	105	..	203	138	..

Sources : Figures derived from long-term plan targets.
Bulgaria : *Otechestven Front*, 1.V.1950 and 26.XII.1950, *Rabotnichesko Delo*, 24.IV.1951.
Czechoslovakia : *Hospodar*, No. 17, 27.IV.1950, *Rude Pravo* 29.IV.1951.
Germany (Soviet Zone) : *Die Wirtschaft*, 16.III.1951, *Statistische Praxis*, No. 5, May 1951.
Hungary : *Statisztikai Szamle*, No. 5, 1950, and No. 4, 1951.
Poland : *Polish Facts and Figures*, 10.III.1951. *Gospodarka Planowa*, No. 3, 1951.
Rumania : *Informations roumaines*, 4.V.1950. *The Romanian News*, 14.V.1950. *La Roumanie nouvelle*, 31.V.1951.

a Ore extraction including petroleum.
b Copper ore.
c Iron ore.
d Crude zinc ore.
e Metallurgy.
f Production of Ministry of Forestry.
g Timber industry.
h Building materials and ceramics.
i Engineering products.
j Electric motors only.
k Engineering industry excluding vehicles.
l Electro-technical products.
m Textiles and clothing.
n All fabrics.
o All footwear.
p Leather and rubber industry.
q Paper and cellulose.
r Bread.

Table 18

EMPLOYMENT, PRODUCTIVITY AND PRODUCTION IN THE INDUSTRIES OF EASTERN EUROPEAN COUNTRIES DURING THE FIRST QUARTER OF 1951

Index numbers — First quarter 1950 = 100

Country	Employment	Productivity	Production
Bulgaria	110	113	125
Czechoslovakia	108	104	113
Germany (Soviet Zone) [a]	104	108	113
Hungary	113	117	132
Poland	107	113	126
Rumania	118	111	131
Total of listed countries	108	110	119

Sources: Quarterly reports on plan fulfilment. Weights drawn from SURVEY, Tables 9 and 11.

a Nationalized industry only.

Table 18 shows that over the last year, as in preceding periods, increases in industrial production in Eastern Europe were brought about almost as much by increases in employment as by increases in productivity. This was possible because of the existence in many countries of surplus manpower in agriculture, notwithstanding industrial full employment. However, the over-all lack of manpower in Czechoslovakia, and the severe shortage of qualified manpower in other countries, pose serious problems. The education and training of new workers and of women (in Czechoslovakia) is being intensified. In order to increase further the productivity of labour, an upward revision of work norms took place during the first quarter in Czechoslovakia, following similar measures in Hungary and Poland. Also in these countries, the level of wages paid in a given factory is being closely linked with the fulfilment by the factory of production and cost plans.

Acute Shortage of Housing

The increase in employment by far surpasses the increase in the stock of dwellings, which is of the order of ½ to 1 per cent yearly, thus bringing about severe shortages of housing in the urban areas. In big cities the population is being squeezed into smaller space so as to make room for new workers. Particularly drastic measures have been taken in Hungary, where part of the unproductive urban population has been deported to rural districts.

Agriculture

The collectivization of agriculture, which started on a large scale (outside the U.S.S.R.) in 1950, continued in the first quarter of 1951. Towards the end of the quarter, about one-fifth of the total arable land of the area was under the direct control of the Government in the form of agricultural co-operatives or state-owned farms, the figures for the respective countries being approximately as follows :

	Czechoslovakia	*Hungary*	*Poland*	*Bulgaria*
Percentage of total arable land owned by agricultural co-operatives	11	13	4	about 50
Percentage of total arable land owned by state farms	6	7	11	

State and co-operative farms were the main beneficiaries of the substantially increased deliveries of fertilizers (particularly in Czechoslovakia), tractors and agricultural machinery (Poland and Hungary). Contracts between individual peasants and the Government for the delivery to the State of plant and animal production in exchange for State assistance in financing and procurement of supplies, were also much extended recently, particularly in Poland ; the results were in many cases favourable (for example, pig breeding).

The harvest outlook is good in Eastern Europe. Deliveries of livestock products, however, have lagged behind plans in Rumania, Bulgaria and Czechoslovakia ; in the latter country, and in Hungary substantial decreases in livestock numbers have been reported.

Prices and Purchasing Power

In the Soviet Union a further decrease in prices, mainly of food products, by 10 to 20 per cent took place on 1 March 1951. It led to a substantial increase in sales of consumers' goods (19 per cent from February to March), though smaller than that of last year (49 per cent).

In other countries of Eastern Europe, the inflationary tensions already commented upon in the SURVEY [1], caused by the divergence between the growth in the purchasing power of the population and the

[1] Chapter 5, Section 2.

production of consumers' goods, continued in the first quarter : the tensions were in some cases increased as a result of accelerating production of investment goods and shortfalls in agricultural output. Notwithstanding an increasingly firm government control over wages, the introduction of higher work norms and the establishment of a close relationship between output and wage-bill, surplus purchasing power exists and increases in prices must occur.

Inflationary pressures are, however, dealt with by somewhat different methods in the various countries. In Poland, the pressure is combated by restriction of purchasing power through taxation and a state loan subscription and by price increases for consumers' goods. The policy followed in Rumania is similar. In Bulgaria, " derationing " has been taking place recently and a uniform price level for consumers' goods was introduced, together with an increase in wages by 5-11 per cent.

In Czechoslovakia, Hungary and eastern Germany the rationing of basic consumers' goods has been reintroduced or maintained, but prices on the " commercial " market, where additional quantities of consumers' goods can be bought off ration, are varied according to demand and supply. Thus, in Czechoslovakia, prices of animal products, which were in particularly short supply, have been raised. Price increases also took place in Hungary and decreases in the Soviet Zone of Germany.

Special Developments in Yugoslavia

In Yugoslavia, following upon the institution, in 1950, of elected workers' councils in enterprises and trades associations, and upon the transfer from the federal to republican governments of responsibility for the various production sectors, further important changes are being discussed and decided upon. On one hand, economic planning is to be made considerably less rigid, only over-all production and cost targets being fixed centrally, whereas their detailed implementation will fall mainly on the trade associations. On the other, enterprises will be made financially autonomous and responsible. The number of rationed commodities, and, correlatively, the scope of compulsory deliveries by agriculture, have been drastically reduced. Price increases have taken place for unrationed agricultural and industrial products. Wages remained unchanged, but in order to compensate for higher prices, coupons are being distributed to wage earners which authorize purchases at reduced prices (by up to 80 per cent) in amounts that vary according to the kind of work performed and family situation. Similar arrangements are also used as inducements for the delivery of food to the State by the peasants.

MOTIVE POWER IN EUROPEAN INDUSTRY

One of the greatest obstacles to successful analysis of variations in industrial productivity is the difficulty of providing a statistical description of the quantity of capital used. Monetary measures of new investment, even when converted into internationally comparable units of real value,[1] are exceedingly difficult to interpret and the problem of valuation and comparison is further complicated when the field is extended, as is essential, to cover the total stock of capital in addition to its annual increments.

There do exist, however, for 18 European countries before the war and for 7 since the war, statistics of the motive power employed in industry. There are also pre-war data for the United States and wartime data for Switzerland. These data are expressed in physical units—horse-power or kilowatts—and the first aim of this note is to explore the possibility of employing them as indicators of the quantity of industrial equipment of all types installed in different industries. The second aim is to investigate the international comparability of the data : as they refer to the technical attributes of machinery it might be expected that they are in principle fairly comparable. Finally, this note contains comments on the differences revealed by the data for different countries and industries.

Broadly, it appears that statistics of motive power provide an imperfect but useful indicator of the total quantity of equipment, that the existing data are, by and large, comparable internationally and, most important, that the inter-industry and international comparisons show much that is valuable for economic analysis. Variations in horse-power *per capita* between industries and countries conform to the type of pattern which common sense would predict—for example, it appears that in countries where horse-power *per capita* is high, over-all net output *per capita* also tends to be high. It is therefore unfortunate that in a number of countries the post-war census of production questionnaires, though in many ways great improvements on their pre-war predecessors, no longer ask for information about motive power.

[1] For example, see Tables 24 and 25, *Economic Survey of Europe in 1950*.

Motive Power as an Indicator of Industrial Equipment

The hypothesis that motive power can be used as an indicator of the total quantity of equipment of all types depends on the assumption that the main purpose of gathering labour together in industrial enterprises is to enable it to make use of machinery ; the more machinery there is, the more buildings are needed to house it, the more ancillary equipment to service it, and the more motive power to drive it. There are, however, a number of substantial weaknesses in the hypothesis. In the first place, the correlation between motive power and the real value of building space required to house the machinery driven, is obviously somewhat tenuous : identical equipment may be housed in buildings whose size or value differs widely, for example because of differing age. In addition, the existing data cover only machine which perform mechanical operations with the use of power, that is machines which directly save human labour. Equipment used for heating, cooling, chemical reaction, separation or storing, for example, is not included ; nor are machines operated by hand.

This exclusion of important types of equipment is a serious difficulty, especially in the case of industries such as chemicals.[2] Another difficulty is that the data do not cover movable transport equipment, whether used outside or inside the factory, although modern internal transport equipment is very important and differences in its exploitation may yield considerable differences in output per worker between one factory and another.

The data are also subject to qualification even as indicators for the equipment actually driven by the motive power measured, for the value of machinery per unit of motive power may be widely different in different industries. Hence, comparisons between the same industry in different countries will be more valid than comparisons between different industries

[2] A large proportion of the equipment excluded in this way is equipment which requires the use of energy for its operation and, therefore, the theoretical capacity of such equipment could be expressed in terms of the input of energy it can utilize. Thus, for instance, the capacity of plant used for electrolysis could be measured in terms of kilowatts, and in some countries, as Norway, the kilowatt capacity of such plant may be considerable in relation to the capacity of equipment which is considered here.

in the same country. It is possible, in fact, that the inter-industry variations in machinery per worker are not as great in terms of value as in terms of horse-power, since low horse-power machinery is generally used for the more intricate work and may thus be relatively more valuable. Inter-country comparisons need least qualification in the case of industries based mainly on mechanical power, such as textiles, engineering or wood processing, but in industries such as food processing the scope for applying machinery varies enormously as between different branches. It is generally true that the narrower the definition of the industry considered, the more valid is the comparison between that industry in different countries.

Lastly, the data relate to machinery used for driving operating machines and not to the operating machines themselves. It is not necessarily true that the operating machinery in any given industry is duly represented by the capacity of the machinery which drives it, because technological progress is generally in the direction of making machines perform more complicated functions more efficiently without necessarily requiring more driving force per machine. This qualification may be especially important in comparisons between countries at different stages of development.

Methods of Measurement

Motive power is produced by machines called prime movers which transform natural sources, such as wind, water power or fuel of all kinds, into mechanical energy. The prime movers are of a number of types, including steam engines, steams turbines, hydraulic turbines, internal combustion engines and, more recently, gas turbines. Some years ago, all machinery not hand-operated was activated by prime movers either directly or through transmission shafts and machine belting. Gradually the use of electricity became the dominant means for the transmission of energy : mechanical energy created by the prime movers is transformed into electricity and eventually electric motors transform electricity back into mechanical energy. Because of the great advantages of this method, 90 to 95 per cent of the total power in countries for which data are available is now applied to machinery electrically. There has been a steady rise in this proportion over the last two decades ; some processes, however, remain in which the direct use of mechanical energy appears more advantageous. It is quite common for industrial undertakings to generate their own electricity, particularly in some industries and in areas where coal is cheap [1] but in recent years there has been a tendency towards increased reliance on electricity supplied by public utility undertakings.

The capacity of individual machines, both prime movers and electric motors, can be expressed in terms either of horse-power or of kilowatts.[2] Figures of capacity usually relate to theoretical capacity, from which the actual performance of machinery may differ ; for short periods the theoretical capacity may be exceeded but in general actual work done is very much below theoretical capacity, owing to the fact that machines are not worked all the time.

Certain difficulties arise in measuring the aggregate capacity of an industrial establishment. If prime movers are applied to operating machinery directly, no complication arises, but if electric motors are used the total capacity of an establishment may be measured either by the capacity of the prime movers or by the capacity of the electric motors. The two methods do not give exactly the same result : the capacity of prime movers may be different from the capacity of the electric motors driven, as reserves of either type can exist ; the performance of the machines in the factory may fall short of theoretical capacity (and not in each case to the same extent) ; there is also a certain loss of energy in transmission.

The main practical complication, however, arises from the fact that not all the electricity used by an establishment for motivating machinery is necessarily generated inside it and, on the other hand, electricity generated internally may be used for purposes other than driving machinery, such as heating, lighting or electrolysis, or may be transmitted to other establishments. Censuses of production do not always provide the information necessary to make corrections for these factors.

It follows that there are two main methods of measurement : Method A measures the capacity of prime movers installed in an establishment *plus* the

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[1] In particular, in the United Kingdom before the war about half the electric power used in industry was generated by industrial firms. Coal industries in all countries generate their own electricity.

[2] In this discussion, equipment which is intermediate between prime movers and electric motors, such as generators and transformers, can be ignored. One horse-power is defined as the capacity to lift 75 kilogrammes to the height of 1 metre per second. Capacity expressed in terms of horse-power is directly convertible into terms of kilowatts, the conversion factor being 1,000 h.p. = 746 kW.

capacity of electric motors driven by electricity brought in from outside, and Method B measures the capacity of prime movers directly driving machinery *plus* the capacity of all electric motors.[1] On balance, the second method is the better. Method A is likely to overestimate capacity because it takes no account of losses of energy in transmission and fails to exclude capacity used for generating electricity for purposes of heating, lighting, and certain industrial processes. But as the capacity of electric motors is usually larger than the capacity of the prime movers driving them, the statistical differences between the two methods are negligible. Both methods were used in the censuses taken in the United Kingdom in 1930 and in Denmark in 1946, and for industry as a whole the differences come to only a fraction of 1 per cent. It appears that in the chemicals, building materials and textile industries Method A gives higher, and in the engineering and mining industries lower, answers than Method B ; this can be explained by the characteristics of the two methods.

The peculiar difficulty of applying Method B lies in the fact that some prime movers are used both to drive machinery directly and to generate electricity ; electric motors which can derive energy from both inside and outside the establishment present an analogous problem if Method A is proposed. Only the censuses of Denmark, Ireland and Portugal are careful enough to distinguish these cases ; for these countries it was assumed that the equipment in question can be equally divided between the two.[2]

Another difference in practice is that some of the statistics relate to the capacity of machinery installed and some to capacity in use, as distinct from capacity in reserve. Neither of these terms is very precisely defined : obsolete machinery is in principle excluded from the concept of machinery installed, but it is not clear whether machinery in use includes only machinery used during most of the year or all machinery in use at some time during the year in question. It is also obvious that the proportion of total capacity in reserve varies not only with technical conditions but also with the state of the economy : in the United Kingdom, the Netherlands and Austria during 1930, which was a year of recession, from 10 to 14 per cent of capacity was in reserve ; in Norway in 1936, which was a moderately good year, only 4 per cent. For some purposes capacity installed, and for others capacity in use, is the more appropriate concept ; in this note figures of capacity installed have been used whenever available.

Censuses of Production

It can be concluded from the above discussion that differences between the methods of measurement adopted in various countries would still leave the statistics broadly comparable for general purposes, except perhaps in one or two industries and in years of heavy depression.

There remain some doubts as to the comparability of the coverage of censuses of capacity, which in every case are by-products of censuses of production. Usually small establishments are excluded. This is not important in the case of most western European countries, but a substantial proportion of industry may be thereby excluded in some of the eastern European countries, where the qualification for inclusion in censuses of production used to be more strict and the proportion of small firms was in any case large. Moreover, while in industrially developed countries there does not seem to be a close connexion between the size of the establishment and the capacity of machinery per worker, in the under-developed countries the large-scale establishments in manufacturing industry have a fairly large amount of machinery per head, whereas the small establishments have practically none.[3]

Again, inter-country comparisons of horse-power per head are affected by slight differences between the definitions of the total number of persons employed in industry adopted in different countries ; working proprietors are not everywhere included.

The present note analyses the results of the last pre-war and the latest post-war censuses. The great defect of the material is that the statistics relating to the largest industrial countries in Europe (the United Kingdom, Germany, and France) are some 20 years out of date ; up-to-date material is currently collected

[1] In some censuses no distinction was made between prime movers directly driving machines and prime movers driving generators, and Method B was applied indirectly. Thus the British census of production of 1930 obtained the capacity of electric generators and estimated the corresponding capacity of prime movers by allowing for transmission losses.

[2] In post-war Denmark 14 per cent of total power installed comes into this category if Method A is used and 6 per cent if Method B is used. In Ireland the proportion was only 2 per cent under Method A.

[3] Moreover, in some of these countries it was precisely the establishments with little or no machinery which were deliberately excluded from the scope or censuses of production.

Table 1

HORSE-POWER PER PERSON EMPLOYED

	Austria	Belgium	Bulgaria	Czecho-slovakia	Denmark		Finland		France	Germany	Hungary			Ireland
	1930	1937	1934	1930	1939	1949	1938	1947	1931	1933	Large firms 1938	Large firms 1947	Small firms 1948	1936
1. Mining and quarrying	4.2	3.3	1.1	3.5	..	..	4.4	6.8	4.8	8.8	3.3	..	..	1.9
Manufacturing														
2. Metals	2.1	3.7	0.4	1.9	2.1	3.7	4.3	5.9	6.5	5.4	3.7	2.4	0.6	1.1
3. Engineering	2.1	2.0	0.5		1.7	2.5	1.8	2.2	1.3	2.5	2.1		1.0	0.9
4. Building materials, etc.	1.4	2.4	2.9	1.0	6.5	6.9	3.3	4.5	1.9	3.4	2.5	3.6	0.8	1.3
5. Timber	1.4	1.8	0.6	1.3	3.5	4.3	3.2	3.7	1.6	2.2	1.6	2.1	1.8	2.3
6. Leather	0.9	1.7	1.0	1.2	3.3	3.2	2.7	2.5	0.7	1.5	1.5	2.8	1.1	1.2
7. Rubber	1.3	2.3	2.5	1.5	..	3.8	3.1	3.2	2.1	2.8	2.6	..	1.5	..
8. Textiles	1.2	1.8	0.9	1.3	1.7	2.1	2.2	2.7	1.9	1.8	1.3	1.7	0.6	1.2
9. Clothing	—	0.5	—	0.1	0.5	0.5	0.3	0.4	0.2	0.1	0.2		0.0	0.3
10. Paper	4.7	3.5	2.0	3.1	5.7	5.9	24.7	23.2	4.2	5.9	4.1	7.8	0.5	1.5
11. Food, drink and tobacco	1.6	2.8	3.1	2.1	3.3	3.9	2.5	2.9	2.5	1.9	4.4	5.0	3.5	3.0
12. Chemicals	2.4	3.9	1.5	2.0	4.7	5.8	3.8	3.2	3.2	6.3	2.8	5.6	0.7	2.1
13. Printing	0.5	0.8	0.3	2.1	1.3	1.3	0.9	0.8	0.6	0.9	0.8	..	0.7	1.0
14. Miscellaneous	0.7	..	0.9	0.4	1.3	3.0	0.7	1.0	0.5	0.8	0.5	..	0.5	2.5
Total manufacturing	1.4	2.3	1.1	1.4	2.6	3.2	4.7	4.4	2.2	2.4	2.5	2.8	1.2	1.7
15. Construction	0.2	0.7	0.1	0.1	..	..	..	..	0.1	0.8	..	..	0.1	0.3

	Italy 1937-1940			Nether-lands	Norway			Poland	Rumania		Sweden		Switzerland		United Kingdom	United States
	All firms	Large firms	Small firms	1930	1936	1938	1947	1936	1938	1947	1938	1948	1937	1944	1930	1939
1. Mining and quarrying	1.5	1.5	—	6.9	5.4	7.8	9.1	..	3.3	4.8	6.1	11.1	9.5	26.0	4.0	..
Manufacturing																
2. Metals	8.9	8.9	—	3.2	3.6	3.4	3.2	4.1	3.8	2.4	5.5	7.7	3.1	3.9	6.2	9.5
3. Engineering	1.4	1.7	0.4	1.7	2.4	2.8	2.3	2.2	2.3		2.3	2.9	2.6	3.1	1.8	3.7
4. Building materials, etc.	1.9	2.1	0.3	2.0	3.0	5.8	4.9	2.3	2.7	2.3	3.6	5.6	7.1	6.8	2.5	8.5
5. Timber	0.7	1.3	0.4	1.8	4.6	6.8	6.8	2.2	1.5	0.8	4.8	6.1	3.5	3.4	1.7	4.6
6. Leather	1.5	1.9	0.0	2.0	2.2	3.3	3.0	1.7	1.0	1.5	1.7	2.0	2.3	2.5	1.7	2.5
7. Rubber	2.9	2.9	—	3.1	3.1	4.0	3.5	1.8	..	..	2.4	4.7	7.5	9.5	3.3	6.2
8. Textiles	1.4	1.5	0.0	2.9	1.8	2.2	2.4	1.4	1.1	1.8	2.3	3.0	2.7	4.2	2.5	3.0
9. Clothing	0.1	0.3	0.0	0.2	0.2	0.4	0.5	..	0.8	0.8	0.3	0.5	0.4	0.5	0.2	0.3
10. Paper	3.9	3.9	0.2	7.3	16.0	22.3	19.6	6.3	5.8	3.6	17.7	19.3	5.5	6.9	3.9	12.3
11. Food, drink and tobacco	1.5	1.9	0.0	2.0	2.9	3.3	3.8	4.3	3.6	5.1	4.6	4.5	3.6	4.3	1.5	4.0
12. Chemicals	4.3	4.3	—	4.5	11.6	11.2	10.6	6.3	6.5	3.9	3.7	5.7	6.7	6.9	4.4	10.7
13. Printing	0.6	0.7	0.4	0.8	0.9	1.4	1.4	0.6	0.7	..	1.2	1.1	1.5	1.5	0.9	1.4
14. Miscellaneous	0.9	1.0	0.5	0.5	0.5	1.6	1.4	0.3	0.5	0.9	0.9	1.5	0.4	0.7	0.8	1.4
Total manufacturing	1.6	2.1	0.2	2.0	4.0	5.4	4.9	2.8	2.6	2.3	4.4	5.0	2.6	3.3	2.4	4.8
15. Construction	0.3	0.3	0.0	0.9	0.3	..	..	..	..	1.3	..	..	..	..	0.6	..

Source: Tables A and B in Appendix.

and published only in the northern European countries,[1] which cannot be assumed to be representative of Europe as a whole. Table C in the Appendix sets out the methods used in and the coverage of the censuses of production from which the data in this paper have been drawn. The data have been analysed into 15 industrial groups ; as far as possible national statistics were adjusted to a standard classification. Whenever possible, factory and workshop industries were distinguished.[2]

The Pre-war Picture

Table 1 shows horse-power per person employed in various branches of industry in each country before the war, and after the war in those countries for which statistics are available. The figures were derived from Tables A and B in the Appendix, which show total power installed or in use and the number of persons employed, respectively. In mining and quarrying inter-country differences were very large : the figures of horse-power per head ranged from 10 to 1, the range even between the larger industrial countries being considerable. The range in manufacturing industry as a whole was far less—from 4½ to 1—and differences between the larger industrial countries were relatively small. The building and construction industry was covered only by a few censuses of production : in all cases horse-power per worker was low (less than 1) ; even so, the figures were several times greater for some European countries than for others.

Relative levels of horse-power per head in different countries are, of course, much influenced by the structure of industry. The distribution of employment between industries varies from country to country, so that a country might show a high over-all level of power per head simply because it had a high proportion of total employment in industries where the level was above the average. In addition, the branches of industry distinguished are themselves not homogeneous and variations in the internal structure of these industries may yield variations between horse-power per head in different countries which do not reflect true differences in capitalization of the individual sub-branches. Thus, in mining and quarrying, for example, the dominant sub-branch in Sweden is iron ore mining, but in the United Kingdom it is coal mining and in Rumania, crude oil production ; in the Rumanian oil industry alone, power per worker was as high as in the mining industries of Germany or Sweden.

This lack of homogeneity may qualify the data, but it cannot explain the wide differences which existed between United States and European industry and between the same industries in different European countries. Thus in the metal manufacturing group, the United Kingdom, Germany, France and Sweden possessed substantially higher horse-power per head than the other European countries,[3] notably including Belgium. In addition all European countries operated very much less power per head in metal manufacturing

Table 2

HORSE-POWER PER OPERATIVE IN ENGINEERING : UNITED KINGDOM-UNITED STATES COMPARISON

	United Kingdom 1930 (in use)	United States 1929 (installed)
Electric-light fittings	0.6	1.7 [a]
Needle [b]	0.7	1.1
Aircraft	0.9	1.1
Carriages	1.0	2.9 [a]
Motor and cycle	1.2	3.5 [a]
Agricultural machinery	1.2	3.1 [a]
Musical instruments	1.4	2.7
Cutlery [b]	1.4	3.3 [a]
Electrical engineering	1.6	2.7
Textile machinery	1.8	2.4
Chain, nails, etc. [b]	2.0	5.2 [a]
Typewriters, sewing machines, etc.	2.1	2.1
Shipbuilding	2.6	6.1 [a]
Tools [b]	2.7	3.3
Machine tools	2.9	3.0
Prime movers	3.4	5.3
Rail carriage	4.0	6.0
Wire [b]	4.8	6.7
Tube [b]	4.8	6.0

Source : P. Sargant Florence, *Investment, Location and Size of Plant* (Cambridge, 1948).

[a] Marks industries where US/UK ratio is more than 2 : 1.

[b] Industries placed in the metals group in this study.

[1] Denmark, Finland, Norway and Sweden.

[2] Details of the industrial classification adopted, together with notes on the characteristics of the various national statistics and the adjustments made to them, are given in the Appendix.

[3] The high figure for the Italian metals industry shown in Table 1 is due to the inclusion in "Engineering" of low-horse-power branches which other countries classified under metal manufacture.

than did the United States,[1] where the figure was nearly 10 compared with about 6 for France, Sweden and the United Kingdom.

In the engineering industry power per head is normally considerably higher in the so-called heavy engineering than in the light engineering sector. In Table 2, however, various sub-branches of the engineering industry of the United States and the United Kingdom are separately compared for adjacent years, and it seems that only in the production of typewriters and sewing machines was there an equality : it is noteworthy that in these trades American-owned firms dominated British industry. In 7 sub-branches of engineering horse-power per head in the United States was more than double that of the United Kingdom ; the difference was particularly great in the production of vehicles, agricultural machinery and ships.

Table 3 provides a similar comparison of separate sub-branches of the food, drink and tobacco industries of the United States and the United Kingdom ; horse-power per head in the United States varied from 8 to 1½ times the United Kingdom figure in the 9 sub-branches distinguished.

In fact, there appear to be many branches of industry which in European countries were not thought fit for mechanization, but had become substantially mechanized in the United States. The very wide range of the figures for the building materials industry indicates that great scope for mechanization existed in most European countries ; not only was the United States figure higher than the highest European, but there were even greater variations among the different European countries themselves. In the timber industry, on the other hand, Norway and Sweden were on the same level as the United States, but the rest of Europe lagged behind : owing to the much greater amount of power used in the earlier stages of production, such as sawmilling, there is a general tendency for timber exporting countries to show high horse-power per head.

In the textile industry most European countries have fallen behind the United States : it is known that more automatic machinery is used in the American industry than generally in Europe, but it might be thought that this would not be reflected in the relative amounts of motive power used, since a new automatic loom, for example, probably requires little more power than an old non-automatic type. (The case of the United Kingdom in Table 1 supports this by showing horse-power per head in textiles in 1930 as only 20 per cent less than in the United States in 1939.) That the United States figure is in fact slightly higher than in most European countries is probably partly due to the greater amount of ancillary handling equipment which is used in that country. This equipment is an important factor in the higher productivity of the American industry and the figures here suggest therefore that even in cases where the technical relation between motive power and the value of operating machinery is weak, the existence of an undercapitalized industry with low productivity will still be reflected, for one reason or another, in a low figure of motive power per head.

Table 3

HORSE-POWER PER OPERATIVE IN FOOD, DRINK AND TOBACCO : UNITED KINGDOM-UNITED STATES COMPARISON

	United Kingdom 1930 (in use)	United States 1929 (installed)
Tobacco	0.4	0.6
Food curing and canning	0.2	1.6 [a]
Biscuits	0.8	1.8
Aerated waters	0.8	5.3 [a]
Preserved food	1.0	2.4
Chocolate and confectionery	1.3	2.5
Butter, cheese, margarine	2.7	9.0 [a]
Feeds (prepared)	3.7	16.7 [a]
Grain milling	6.8	23.7 [a]

Source : P. Sargant Florence, *op. cit.*, Table 2.

[a] Marks industries where US/UK ratio is more than 3 : 1.

Standardized Averages for Manufacturing Industry

It is possible to make some correction for the effects of varying industrial structure by applying a uniform set of weights for each country to the figures for horse-power per head in the 13 branches of manufacturing industry distinguished ; in the table below the weights chosen were those corresponding to the distribution of employment in manufacturing in the United States. In this way, standardized averages for manufacturing industry were derived, showing what the over-all level of horse-power per head would have

[1] In all comparisons of the United States figures with those of the major European countries in Table 1, it should be remembered that in that table the 1939 census for the United States is being compared with censuses for European countries which relate to earlier years. It appears, however, that the rates of growth in the United States were not so rapid as seriously to vitiate the comparison.

been in each country had the average for each of its industries been the same, but its structure of employment that of the United States. (This procedure does not, of course, eliminate the effects of non-homogeneity within the branches). The actual and the standardized averages are compared below :

Horse-power per Worker in Manufacturing (Pre-war)

	Date	Actual	Standardized	Percentage difference [a]
Finland	*1938*	4.7	3.0	
Sweden [b]	*1938*	4.4	3.5	less than −15
Norway [b]	*1936*	4.0	3.3	
Ireland	*1936*	1.7	1.5	
Hungary	*1938*	2.5	2.3	−15 to −6
Italy	*1937-1940*	2.1	2.0	
Denmark	*1939*	2.6	2.5	
Rumania	*1938*	2.6	2.5	
Belgium	*1937*	2.3	2.3	−5 to +5
Czechoslovakia	*1930*	1.4	1.4	
Poland	*1936*	2.8	2.9	
United Kingdom	*1930*	2.4	2.5	
Bulgaria	*1934*	1.1	1.2	
France	*1931*	2.2	2.4	
Netherlands	*1930*	2.0	2.2	+6 to +15
Germany	*1933*	2.4	2.7	
Switzerland	*1937*	2.6	3.1	more than +15
Austria [b]	*1930*	1.4	1.7	
United States	*1939*	4.8	4.8	—

[a] $\frac{\text{Standardized} - \text{Actual}}{\text{Actual}} \times 100$

[b] Excludes reserves.

It will be seen that, in general, the standardization does not make vast differences : there seems to be little in the suggestion that the lowness of the average horse-power per head in Europe, as compared with the United States, is largely due to the different structure of European employment. In Finland, Sweden and Norway standardization substantially reduces the average by giving less weight to their large and highly capitalized timber and paper industries. In Austria and Switzerland, and to a lesser extent in the Netherlands and Germany, the change is in the opposite direction because of the high proportion of employment in finishing industries, such as engineering, textiles, clothing,[1] printing or leather, where horse-power per head is normally lower.

[1] However, in connexion with low horse-power per head in the clothing industry, it should be remembered that this is, in fact, an industry which is notoriously undercapitalized and which has in many cases in the past remained in this state because it was able to exploit cheap labour.

Comparison of Horse-power per Head with Output per Head

It is obviously desirable to attempt to compare the levels of horse-power per head in different countries with the levels of real output per head. For this purpose, however, it is necessary to make further adjustments to the data. It will be remembered that :

(a) The data refer to different years, whilst in most countries there was a steady growth in capacity which was, between 1930 and 1938, so far as known, 10-20 per cent.

(b) In several countries, the data exclude capacity in reserve.

(c) In some countries, especially in Hungary, Rumania and Poland, and to a smaller extent in Finland, horse-power per head in that part of industry which is excluded from censuses of production is very much lower than in the part which is included and, therefore, the national averages should be lower than is indicated by the figures.[2]

An attempt has, therefore, been made to correct for these factors by extrapolating the figures for each European country to 1938, and by making estimates of reserve capacity and capacity in handicraft industry where necessary. The extrapolations were made on the basis of the trends disclosed by previous censuses of production, in the United Kingdom, for example, between 1924 and 1930. The allowances for small-scale and handicraft industries were built up from statistics of numbers employed in industrial occupations not covered by censuses of production and some scattered information concerning horse-power per head in small-scale industry. The estimates are necessarily very rough and are shown in Table 4 in the form of groups. In the same table, the grouped data are compared with estimates of real net output per head in 1938 ;[3] it will be seen that there is a close relationship between horse-power per head and output per head.

Post-war Developments

Hungary, Poland and Rumania, which used to have good industrial statistics, have now ceased publishing such material, and the only post-war data on motive

[2] This is borne out by a comparison between factories and workshops shown separately in the pre-war Italian, and post-war Hungarian, censuses of production.

[3] See *Economic Survey of Europe in 1948*, p. 225.

Table 4

RELATION BETWEEN HORSE-POWER PER HEAD AND NET OUTPUT PER HEAD IN MANUFACTURING, 1938

Horse-power per Head in Manufacturing	Net Output per Head in Manufacturing ($)														
	Circa 300	Circa 400	Circa 500	Circa 600	Circa 700	Circa 800	Circa 900	Circa 1,000	Circa 1,100	Circa 1,200	Circa 1,300	Circa 1,400	Circa 1,500	Circa 1,600	Circa 1,700
4½-5															U.S.A.
4-4½															
3½-4															
3-3½						Germany	Sweden Norway Switzerl.								
2½-3				France			U.K. Denmark								
2-2½		Finland				Netherl. Belgium									
1½-2	Hungary Rumania	Poland	Austria Czechosl. Italy			Ireland									
1-1½	Bulgaria														

NOTE. — The figures for horse-power per head are standardized. For further details see text.

power in industry in these countries in all cases relate to years which were still affected by the war. Thus, the Polish data relate to 1945, when conditions were still abnormal, and they include prime movers only, showing an increase of 11 per cent in manufacturing industry over 1936. The 1947 census in Rumania was wider in scope than the pre-war census, but for Hungary the data are comparable and show an increase of 28 per cent in horse-power capacity between 1938 and 1947; with the exception of metals and engineering, horse-power per head has increased in all industries.

Data for Switzerland are available for 1944, but for no later years. They reveal that remarkable progress had been made since 1937. Total motive power in industry increased by 49 per cent ; the increases in horse-power per head were particularly great in the engineering, rubber, textiles, paper, and food, drink and tobacco industries.

Only the four northern European countries publish annual data. Between 1938 and 1949 total power installed in Danish industry increased by 61 per cent ; increases in power per head were particularly noticeable in the metal, engineering, timber, textiles, food processing and chemical industries. In Finland, despite loss of territory, power installed increased by 16 per cent between 1938 and 1947. This was the result of a substantial fall in the paper industry and large increases elsewhere, especially in engineering, building materials, timber and textiles. In Norway the increase between 1938 and 1947 was 26 per cent, but here the data for horse-power per head appear unfavourable compared with pre-war, both for manufacturing industry as a whole and for individual branches, which is explained by shifts in the structure of industry in the process of general growth.[1] In Sweden, power installed increased by 48 per cent between 1938 and 1948 and increases in power per head took place in all industries except printing and food; the most noticeable rises were in mining, building materials, rubber and chemicals industries. On the whole, it appears that the northern European countries have experienced a rapid expansion in their capital equipment since the pre-war years.

[1] In order to obtain comparable data the annual industrial statistics of Norway were used, whereas the pre-war analysis was based on the more complete census of 1936. The 1936 census covered manufacturing establishments employing 212,000 persons, but the industrial statistics recorded only 159,000 employees. As the establishments excluded from the industrial statistics were mainly those without machinery, horse-power per person employed was 5.5 as compared with 4.0 in the census.

Appendix

Supplementary Statistics and Sources and Methods used in the article "Motive Power in European Industry"

Table A

POWER INSTALLED (OR IN USE)

Thousand h.-p.

	Austria	Belgium	Bulgaria	Czecho-slovakia	Denmark		Finland		France	Germany	Hungary			Ireland
	1930	1937	1934	1930	1939	1949	1938	1947	1931	1933	Large firms 1938	Large firms 1947	Small firms 1948	1936
1. Mining and quarrying . . .	89.2	583.1	10.6	427.8	..	..	14.6	36.3	2,076.3	5,130.2	174.2	..	..	4.8
Manufacturing :														
2. Metals	216.3	481.4	8.9	735.6	38.8	77.8	36.3	68.5	3,003.7	4,693.2	215.4	356	9.6	4.6
3. Engineering	140.4	183.3	10.4		85.4	173.3	69.6	179.3	1,179.6	2,133.5	93.3		17.9	5.7
4. Building materials, etc. . . .	62.9	127.1	17.4	227.5	87.5	125.0	45.6	65.3	459.4	993.2	61.1	77	2.8	3.3
5. Timber	117.6	114.0	12.8	221.5	35.3	65.9	176.5	206.9	644.0	1,365.6	22.4	22	28.9	15.5
6. Leather	13.4	24.9	3.9	26.2	5.6	9.8	8.3	10.7	128.4	169.8	11.4	16	1.8	1.1
7. Rubber	8.4	19.0	3.2	6.1	..	14.8	8.8	12.0	132.0	130.8	8.7	..	0.9	..
8. Textiles	89.2	304.8	31.0	423.5	34.6	63.8	49.9	59.8	1,599.3	1,528.3	95.1	125	3.4	12.1
9. Clothing	9.6	38.6	0.4	34.2	15.9	15.2	7.0	9.2	76.2	132.4	2.5		1.9	5.0
10. Paper	127.9	68.4	4.3	119.6	36.4	46.5	582.4	517.2	405.9	1,101.7	27.3	40	0.7	2.6
11. Food, drink and tobacco . .	176.1	294.7	126.4	510.4	132.5	173.1	43.0	51.9	919.9	2,662.3	186.3	242	99.8	93.6
12. Chemicals	41.0	194.0	4.4	82.7	66.9	91.6	13.7	23.8	740.9	1,565.5	52.8	132	1.4	6.5
13. Printing	15.0	36.6	1.1	67.6	15.5	19.7	6.9	8.8	74.5	234.4	7.2	..	2.5	6.5
14. Miscellaneous	17.4	..	1.9	5.4	0.4	15.7	1.8	3.3	19.0	148.4	2.6	..	1.2	8.6
Total manufacturing	1,035.1	1,886.8	226.1	2,460.3	554.8	892.1	1,049.8	1,216.9	9,382.8	16,859.1	786.1	1,010	172.8	165.1
15. Construction	29.6	68.0	0.5	30.6	..	..	..	..	74.0	769.7	..	..	3.3	14.1

	Italy 1937-1940			Nether-lands	Norway			Poland	Rumania		Sweden		Switzerland		United Kingdom	United States
	All firms	Large firms	Small firms	1930	1936	1938	1947	1936	1938	1947	1938	1948	1937	1944	1930	1939
1. Mining and quarrying . . .	200.4	200.4	—	369.0	62.2	140.4	134.3	..	230.2	324.6	184.6	304.6	1.9	5.2	4,124.1	..
Manufacturing :																
2. Metals	990.7	990.7	—	128.2	70.7	35.6	58.2	316.3	97.4	209.7	427.6	715.8	123.2	183.5	3,544.5	14,506.9
3. Engineering	1,216.0	1,151.5	64.5	256.3	82.5	100.0	139.4	115.8	57.6		316.0	679.0	170.6	306.1	2,318.4	6,584.8
4. Building materials, etc. . . .	389.0	379.9	9.1	77.8	25.1	30.1	39.0	128.7	60.8	55.2	95.5	179.3	82.5	105.1	559.5	3,036.7
5. Timber	210.0	136.9	73.1	91.0	113.1	123.0	200.0	121.3	63.8	60.5	330.3	447.8	73.1	100.6	279.9	3,645.0
6. Leather	54.3	54.0	0.3	13.2	5.8	6.2	8.3	18.6	13.4	21.8	12.6	24.8	6.2	9.9	77.9	290.4
7. Rubber	70.2	70.2	—	5.8	7.2	8.0	11.8	15.1	..	..	16.9	41.0	7.5	11.4	173.1	990.0
8. Textiles	869.3	867.2	2.1	237.7	29.5	31.8	42.6	231.5	77.6	109.3	123.1	180.9	164.3	219.7	2,642.9	3,670.5
9. Clothing	42.1	32.2	9.9	15.7	4.8	6.2	10.3	..	1.9	2.4	13.1	29.3	18.8	26.0	115.2	405.2
10. Paper	219.4	219.3	0.1	134.4	295.9	373.0	375.0	107.5	48.9	63.0	852.3	964.9	63.6	97.4	506.9	4,129.2
11. Food, drink and tobacco . .	956.5	947.3	9.2	376.7	118.7	106.2	132.8	418.3	137.0	107.7	262.8	294.4	92.4	119.5	730.4	5,741.9
12. Chemicals	548.3	548.3	—	109.3	75.3	104.0	145.9	294.8	183.4	130.5	70.0	166.1	81.0	139.1	851.9	6,195.9
13. Printing	42.5	42.1	0.4	28.4	8.3	10.2	14.2	9.8	4.5	..	25.2	36.7	21.7	24.7	226.9	771.7
14. Miscellaneous	27.0	24.8	2.2	4.5	1.1	2.8	3.4	11.7	0.5	1.2	3.2	10.3	16.9	31.7	106.6	475.1
Total manufacturing	5,635.3	5,464.4	170.9	1,479.0	838.0	937.1	1,180.9	1,789.4	746.8	761.3	2,548.6	3,770.3	921.8	1,374.7	12,134.1	50,452.3
15. Construction	159.1	158.7	0.4	158.4	23.4	..	..	..	..	32.4	..	..	..	..	424.8	..

Table B

PERSONS EMPLOYED

In thousands

	Austria	Belgium	Bulgaria	Czecho-slovakia	Denmark		Finland		France	Germany	Hungary			Ireland
											Large firms		small firms	
	1930	1937	1934	1930	1939	1949	1938	1947	1931	1933	1938	1947	1948	1936
1. Mining and quarrying	21.0	175.0	10.0	121.1	..	..	3.3	5.3	430.8	524.9	52.6	..	..	2.5
Manufacturing :														
2. Metals	102.4	130.8	24.3	388.3	18.6	21.3	8.4	11.7	460.2	871.1	57.9	67.4	16.5	4.2
3. Engineering	66.9	89.9	19.4		49.2	68.9	38.4	80.2	897.4	864.7	45.4	83.4	17.1	6.4
4. Building materials, etc.	44.2	53.0	6.0	217.5	13.4	18.1	13.7	14.4	240.2	295.9	24.8	21.3	3.6	2.5
5. Timber	81.5	62.1	21.0	175.4	10.2	15.5	55.2	55.3	395.1	607.5	13.9	10.5	16.2	6.8
6. Leather	15.0	14.7	4.0	22.7	1.7	3.1	3.1	4.3	176.1	116.2	7.6	5.7	1.6	0.9
7. Rubber	6.4	8.1	1.2	4.0	..	3.9	2.8	3.7	60.7	46.8	3.4	3.7	0.6	..
8. Textiles	77.3	164.8	34.6	319.4	19.6	30.5	22.6	21.8	827.6	859.9	72.0	66.3	6.1	9.9
9. Clothing	152.5	78.7	39.7	252.5	29.1	29.2	23.0	20.7	431.2	1,040.8	11.8	7.1	39.7	17.3
10. Paper	27.5	19.3	2.1	39.2	6.4	7.9	23.6	22.3	97.0	187.7	6.7	5.1	1.5	1.8
11. Food, drink and tobacco	108.9	106.5	40.6	238.3	39.6	44.5	17.1	18.1	363.9	1,419.3	42.8	48.6	28.8	31.4
12. Chemicals	17.1	49.3	3.0	40.6	14.2	15.7	3.6	7.4	230.0	249.0	19.1	23.7	2.1	3.1
13. Printing	27.5	48.3	4.0	32.3	11.6	15.5	7.5	11.3	132.8	271.2	9.3	8.5	3.5	6.9
14. Miscellaneous	24.8	..	2.2	12.2	0.3	5.3	2.6	3.3	41.1	177.9	5.0	8.4	2.3	3.5
Total manufacturing	752.0	825.5	202.1	1,742.4	213.9	279.3	221.6	274.6	4,353.3	7,008.0	319.7	359.7	139.6	94.7
15. Construction	123.2	101.9	9.0	297.2	..	..	..	..	604.6	1,008.5	..	..	38.9	47.0

	Italy 1937-40			Nether-lands	Norway			Poland	Rumania		Sweden		Switzerland		United Kingdom	United States
	All firms	Large firms	Small firms	1930	1936	1938	1947	1936	1938	1947	1938	1948	1937	1944	1930	1939
1. Mining and quarrying	137.4	137.4	—	53.2	11.6	17.9	14.7	..	69.7	67.5	30.2	27.5	0.2	0.2	1,018.8	..
Manufacturing :																
2. Metals	111.3	111.3	—	39.6	19.9	10.6	18.0	77.4	25.8	85.6	78.3	92.6	39.2	46.9	575.3	1,535.0
3. Engineering	855.3	683.5	171.8	151.5	33.9	36.3	60.5	53.1	25.0		137.7	233.3	66.6	97.5	1,310.6	1,791.6
4. Building materials, etc.	206.8	177.5	29.3	39.7	8.4	5.2	7.9	55.7	22.4	23.6	26.7	31.8	11.6	15.4	224.5	359.2
5. Timber	283.6	103.5	180.1	49.4	24.6	18.0	29.3	55.8	42.8	75.5	69.0	73.2	21.1	29.2	167.8	798.4
6. Leather	36.9	28.7	8.2	6.5	2.6	1.9	2.8	11.0	13.4	14.7	7.3	12.3	2.7	4.0	46.1	118.9
7. Rubber	24.6	24.6	—	1.9	2.3	2.0	3.4	8.3	..	..	6.9	8.8	1.0	1.2	52.2	159.4
8. Textiles	628.6	592.1	36.5	83.0	16.0	14.4	17.4	161.0	71.7	62.1	54.6	60.9	62.0	52.8	1,075 2	1,237.6
9. Clothing	487.3	103.0	384.3	93.5	26.3	17.6	20.9	..	2.3	3.0	47.1	62.2	46.2	50.5	492.1	1,182.3
10. Paper	56.7	56.2	0.5	18.5	18.5	16.7	19.1	17.2	8.4	17.5	48.1	50.0	11.5	14.2	130.9	334.7
11. Food, drink and tobacco	623.3	502.5	120.8	189.5	41.3	31.9	35.4	97.7	38.4	21.1	57.7	65.2	25.7	28.1	472.4	1,434.6
12. Chemicals	127.9	127.9	—	24.3	6.5	9.3	13.7	46.7	28.3	32.9	18.8	29.3	12.1	20.2	194.8	577.6
13. Printing	70.1	59.0	11.1	34.4	9.3	7.4	10.2	15.6	6.9	..	20.4	32.7	14.1	16.4	241.5	556.7
14. Miscellaneous	29.3	25.2	4.1	9.2	2.1	1.7	2.4	37.7	1.0	1.4	3.6	6.8	41.5	44.1	128.1	328.8
Total manufacturing	3,541.7	2,595.0	946.7	741.0	211.7	173.0	241.0	637.2	286.4	337.4	576.2	759.6	355.3	420.5	5,111.5	10,414.8
15. Construction	558.5	479.9	78.6	167.6	69.6	..	..	..	..	24.1	..	..	..	..	696.2	..

Table C

DIFFERENCES IN NATIONAL STATISTICS

Country	Date	Reserve capacity	Method	Employment [a]	Establishments included
1. Austria	1930	Exc.	B	WSP	All
2. Belgium	1937		B	WSP	All
3. Bulgaria	1934		A	WSP	All
4. Czechoslovakia	1930	Exc. ?	B	WSP	All, excluding domestic industry [b]
5. Denmark	1939		A	WS (P?)	Establishments employing over 5 persons
	1949		A & B	,,	,,
6. Finland	1938		B	WS (P?)	In general establishments of 5 or more persons
	1947		B	,,	,,
7. France	1931		A	WS (P?)	All
8. Germany	1933		B	WS (P?)	All
9. Hungary	1938		A	WSP	Establishments employing over 20, or over 5 persons with power (?)
	1947		A	,,	Small and medium firms (?)
	1948		A	,,	
10. Ireland	1936		A	WSP	Excluding " very small " (?)
11. Italy	1937-40		B	WS	All (handicrafts shown separately)
12. Netherlands	1930	[c]	A	WS	All (those without power shown separately)
13. Norway	1936	Exc.	B	WS (P?)	Excluding one-man firms
	1938	Exc.	B	WS	Establ. covered by accident insurance legisl.
	1947	Exc.	B	WS	,,
14. Poland	1936		A	WS (P?)	Establishments employing 5 or more persons (excluding handicrafts ?)
15. Portugal [d]	1949		A	WS (P?)	?
16. Rumania	1938		A	WS	Establishments of over 10 persons *and* 20 h.p.
	1947		A	WSP	Establishments of over 10 persons
17. Sweden	1938	Exc.	B	WS (P?)	Establishments of 10 or more persons
	1948	Exc.	B	WS (P?)	Establishments of 5 or more persons
18. Switzerland	1937		B	WS (P?)	Establishments of over 5 or over 10 persons [e]
	1944		B	WS (P?)	— ditto —
19. United Kingdom	1930	[c]	A & B [f]	WSP	Establishments of over 10 persons
20. United States	1939		A	WSP	Establishments producing over $5,000 p.a.

a W = Manual workers (wage earners) ; S = Non-manual workers (salary earners) ; P = Working proprietors and family help.

b 4% of employment, 0.1% of horse-power capacity.

c Utilized capacity and reserves shown separately.

d The census only covers some industries and was left out of the analysis.

e All firms employing 11 or more persons and also firms employing 6 or more persons if they use power or employ persons under 18.

f Indirectly estimated.

NOTE ON THE STATISTICS OF HORSE-POWER

Industrial Classification

Number used in this Study	*International Standard Industrial Classification Major Group Numbers* [1]
1. *Mining and Quarrying :*	
Coal mining	11
Metal mining	12
Crude petroleum and natural gas	13
Stone-quarrying, clay and sand pits	14
Not-metallic mining and quarrying, n.e.s.	19
2. *Metals :*	
Basic metal industries	34
Manufacture of metal products except machinery and transport equipment	35
3. *Engineering :*	
Manufacture of machinery, except electrical machinery	36
Manufacture of electrical machinery, apparatus, appliances and supplies	37
Manufacture of transport equipment	38
4. *Building Materials, etc. :*	
Manufacture of non-metallic mineral products, except products of petroleum and coal	33
5. *Timber :*	
Manufacture of wood and cork, except manufacture of furniture	25
Manufacture of furniture and fixtures	26
6. *Leather :*	
Manufacture of leather and leather products, except footwear	29
7. *Rubber :*	
Manufacture of rubber products	30
8. *Textiles :*	
Manufacture of textiles	23
9. *Clothing :*	
Manufacture of footwear, other wearing apparel and made-up textile goods	24
10. *Paper :*	
Manufacture of paper and paper products	27
11. *Food, Drink and Tobacco :*	
Food manufacturing industries, except beverage industries	20
Beverage industries	21
Tobacco manufactures	22
12. *Chemicals :*	
Manufacture of chemicals and chemical products	31
Manufacture of products of coal and petroleum	32
13. *Printing, etc. :*	
Printing, publishing and allied trades	28
14. *Miscellaneous manufacturing :*	
Miscellaneous manufacturing industries	39
15. Construction :	
Construction	40
The following industry was excluded :	
Electricity, Gas and Water :	
Electricity, gas and steam	51
Water and sanitary services	52

[1] Major group numbers of the *International Standard Industrial Classification of all Economic Activities.* For a detailed list of the individual industries included within the major groups see *U.N. Economic and Social Council, Official Records,* 3rd year, 7th session, Supplement No. 5B (1948).

Sources and Notes on Individual Countries

1. *Austria : Gewerbliche Betriebszählung vom 14. Juni 1930*, Gesamtergebnisse für Österreich (Wien 1932), pp. 44-52 and 66-75.
   Miscellaneous includes precious metals ; scientific instruments ; watches ; musical instruments ; artificial flowers, etc. ; brooms and brushes ; tobacco pipes and cigarette holders ; and manufactured ice.

2. *Belgium : Recensement Economique et Social, 1937.*
   The following adjustments have been made to the classification of industries given by the census in order to bring it into line with the International Standard Industrial Classification :
   Glove and Shoe trades transferred from Leather and included under Clothing.
   Electricity and Rubber trades taken out of Chemicals, while Manufacture of Machinery is taken out of Metals.
   Because the census classification is not sufficiently detailed, the coverage of the sixteen groups may not strictly conform to that of the Standard Classification. The chief source of error lies in the fact that no trades can be allocated to Miscellaneous.

3. *Bulgaria : Annuaire Statistique du Royaume de Bulgarie, 1942* (Sofia), pp. 280-301.
   Miscellaneous includes musical instruments ; toys ; artificial flowers ; watches ; scientific instruments ; jewellery ; brooms and brushes ; and manufactures of bone.

4. *Czechoslovakia : Zpravy Statniko Uradu Statistickeko*, Republiky Ceskoslovenske Rocnik XV (1934).
   The statistics do not strictly conform to the International Classification. It is not possible to split up the metals and engineering group, and the rubber group includes asbestos goods.

5. *Denmark : Industriel Productionsstatistik* for 1939 and 1949.
   Rubber is included under Chemicals in 1939. In 1939 it is possible to allocate only the manufacture of pianos to Miscellaneous but in 1949 additional categories are included.

6. *Finland : Industristatistik*, for 1938 and 1946.
   The following adjustments have been made to the census classification :
   Quarrying and peat cutting have been transferred from Building Materials to Mining and Quarrying.
   Manufacture of Shoes and Gloves from Leather, Rubber, etc., to Clothing.
   Gold and Silverware from Metals to Miscellaneous.
   Rubber trade excluded from Leather.
   Brush trade from Leather, Rubber, etc., to Miscellaneous, and the Manufacture of cut soles from Miscellaneous to Clothing.

7. *France : Statistique des Forces Motrices en 1931.*
   The census classification of industries is not sufficiently detailed to enable certain trades to be allocated to the correct industrial groups. Watches and Clocks are included under Engineering, while Leather gloves, and Boots and Shoes, are included under Leather.

8. *Germany : Statistisches Jahrbuch für das Deutsche Reich, 1936* (Gewerbliche Betriebszahlung, 1933).
   The following adjustments have been made to the 1933 census classification of industries :
   Precious stones transferred from Building materials to Miscellaneous.
   Linoleum trade from Leather to Textiles.
   Asbestos products from Rubber to Building materials.
   Artificial flowers trade from Clothing to Miscellaneous.

9. *Hungary : Annuaire Statistique Hongrois, 1938 and 1939. Gazdaságstatisztikai Tajékoztató*, Vol. II, No. 8, June 1948. *Bulletin*, National Bank of Hungary, 1947, p. 562. — Small firms : *Gazdaságstatisztikai Tajékoztató*, Vol. III, No. 4-5, 1949.
   The following adjustments have been made to the census classification of industries :
   Precious metals transferred from Mining and Quarrying and Metals to Miscellaneous.
   Musical instruments, Watches and Scientific instruments trades from Engineering to Miscellaneous.
   Bristle, Hair and Feather trade from Leather to Miscellaneous.
   Artificial flowers trade from Clothing to Miscellaneous.
   Water services taken from Food, and Gas from Chemicals and included with Electricity.
   The detailed horse-power statistics for 1947 does not eliminate duplication although the correct figures have been published up to 1946. Figures eliminating duplication in 1947, however, were communicated to the National Bank. The classification of these data is not very detailed and, for this reason, some of the figures had to be estimated.

10. *Ireland : Census of Industrial Production*, 1936.
    The census for 1936 provides the latest information of statistics of horse-power. For post-war years the annual census of industrial production provides statistics of the value of fixed capital equipment for each industry.

11. *Italy : Censimente Industriale e Commerciale*, 1937-40.

The following adjustments have been made to the census classification of industries :

Glove, and Boot and Shoe trades transferred from Leather to Clothing.
Cables and electric wires, Electric lamps, and Electric insulators trades from Miscellaneous to Engineering.
Small arms, etc., trade from Miscellaneous to Metals.
Tobacco trade from Miscellaneous to Food, etc.

Factory and handicraft (workshop) industries shown separately cannot be given according to exactly the same classification.

12. *Netherlands. Bedrijfstelling*, 1930.

The following adjustments have been made to the census classification of industries :

Diamond cutting and polishing included under Miscellaneous.
Photographers excluded from Printing, Manufacture of cinema films transferred from Printing to Miscellaneous.
Hairdressing, public baths, laundries and cleaners excluded from Clothing.
Industrial arts trade included under Miscellaneous.
Shoe trade transferred from Leather to Clothing.
Rubber trade taken out of Leather.
Linoleum trade from Leather to Textiles.
Artificial dentures trade from Leather to Miscellaneous.
Coke ovens and manufactured fuel trades from Mining and Quarrying to Chemicals.
Fishing for shell fish excluded from Mining and Quarrying.
Manufacture of optical and precision instruments, watches and clocks, plate and jewellery, musical instruments trades from Engineering to Miscellaneous.
Plumbers, installers of gas, water and central heating from Metals and Engineering to Construction.
Water undertakings taken out of Food.

The exact classification can be applied to horse-power utilized only. Since horse-power in reserve is not given in the same detail, horse-power installed is to some extent estimated, but the errors involved are negligible.

13. *Norway : Norges Industri*, Norges Offisielle Statistikki, X.16 and XI.25 ; *Bedriftstelling i Norge*, 1936.

The data for 1938 and 1947 are taken from the first source. They refer to establishments covered by the accident insurance law (viz., 14,421 in 1938 and 18,398 in 1947). The number of persons employed for both years was estimated by dividing the figures of total hours worked given for each industry by the average hours worked per person employed given in the Produksjonsstatistikk.

The coverage of each group for both years, according to the Norwegian classification of industries is as follows :

Group		*Group*	
1	I, II 1-10, 19	8	X
2	III, 1-5, 12, 16-19	9	XI
3	III, 1-11b, 13	10	VIII, 1-5
4	II, 11-18	11	XII
5	VII, 1-15	12	IV, V
6	IX, 1-4	13	XIII, VIII, 6
7	IX, 5	14	III, 14, 15, 20, VII, 16, IX, 6

The data for 1936 are taken from the second source which covers 31,342 establishments. The following adjustments have been made :

Cement trade transferred from Mining and Quarrying to Building materials.
Scientific, Medical and Optical instruments trades from Metals to Miscellaneous.

14. *Poland : Statystyka Przemyslowa*, 1936.

The following adjustments have been made to the census classification of industries :

Plate and Jewellery, Fancy goods, Scientific and Musical instruments trades transferred from Metals to Miscellaneous.
Gas undertakings and Rubber trade taken out of Chemicals.

15. *Portugal : Estatistica Industrial*, 1949.

The coverage of the industrial groups specified is for most cases incomplete, and this country was not included in the tables.

16. *Rumania :* 1947 : " *Problème Economique* " (Bucarest), No. 2, March 1948, pp. 113-114 ; 1938 : *Annuarul Statistic al Romanici*, 1939 si 1940, pp. 468, 476 and 478-93.

The coverage of a number of the groups is not strictly correct. The Clothing group includes piece-goods, while the Leather group may include shoes. For 1947 it is not possible to distinguish separately the Metals and Engineering groups or the Paper and Printing groups.

The figures for 1938 and 1947 are not quite comparable ; working proprietors and family help are excluded in 1938 but are included in 1947, while state-owned industry is excluded in 1947. The scope of the statistics has also changed.

17. *Sweden : Industriberättelse*, 1938 and 1948.

The statistics for 1938 and 1948 are not quite comparable ; the former exclude firms employing less than ten workers, while the latter exclude those employing less than five persons. Further, the coverage of the fifteen groups is not completely identical for the two years.

The coverage of each group, for both years, according to the Swedish classification of industries is shown below.

Group	*1938*	*1948*
1	1a-1b, 2a-2d	1a-1b, 2a-2d
2	1c-1e and 1k-1m	1c-1i
3	1f-1i	1k-1m
4	2e	2e
5	3a-3i	3a-3i
6	7a, 7b, 7e	7a, 7b, 7d
7	7d	7f
8	6a-6f, 6i and most of 6k	6a-6i and most of 6n
9	6g, 6h, 7c and part of 6k	6l, 6m, 7c and part of 6n
10	4a-4d	4a-4c
11	5a-5n	5a-5n
12	8a-8g	8a-8e
13	4e-4f	4d-4f
14	1j	1n, 7e-7g
16	9a-9c	10a-10c

18. *Switzerland : Statistique Suisse des Fabriques*, 1937 and 1944.

The following adjustments have been made to the Swiss classification of industries :

Linoleum trade has been transferred from Chemicals, and included under Textiles.

Tanneries and Leather goods trades from Paper, etc., to Leather.

Rubber trade taken out of Leather, etc.

Independent iron foundries trade from Engineering to Metals.

The Construction of Machinery and Iron foundries trade is included under Engineering.

Precision and Optical apparatus, Ophthalmic and Surgical instruments, and the various musical instruments trades from Engineering to Miscellaneous.

Salt mines from Building materials to Mining and Quarrying. Other mines and quarries are presumably included under Building materials.

Mining as shown includes salt mines only.

19. *United Kingdom : Census of Production*, 1930.

The 1930 census of production provides the latest information regarding statistics of horse-power. Although the census for 1935 stated that it was intended to collect information on this subject at the next quinquennial census, no mention has been made of it either by the Committee on the Census of Production, or so far in the post-war census reports.

The following adjustments have been made to the 1930 census classification of industries :

Plate and Jewellery, and Watch and Clock trades transferred from Metals to Miscellaneous.

Linoleum trade from Miscellaneous to Textiles.

Coke and by-products trade from Miscellaneous to Chemicals.

Rubber trade excluded from Miscellaneous.

Pens, pencils trade from Paper to Miscellaneous.

Canal undertakings and Local authorities are included under Construction.

Railway and Tramway undertakings are included under Engineering. This is not strictly correct as some 50 per cent of the value of the output of these two trades consists of work of construction. It is, however, not possible to allocate horse-power per person employed between Construction and Engineering.

20. *United States : Census of Manufactures*, 1939.

The following adjustment was made to the census classification of industries :

Leather gloves, and Boots and Shoes trades transferred from Leather to Clothing.

The 1947 census dropped questions relating to motive power.

NOTE ON BRITISH LONG-TERM FOOD PURCHASE CONTRACTS

The development of a high and stable level of trade between primary producing countries and their customers is of greatest importance to Europe. It is more than desirable that a large volume of exchanges should be consistently maintained without violent fluctuations which, on the one side, put European countries in permanent fear of difficulties with their overseas balance of payments, and, on the other, inhibit production and cause general economic instability in the primary producing countries. Schemes for direct approach to this objective are unlikely to succeed unless a high and stable level of economic activity is maintained in the world generally; but, given this prerequisite, there appears much to be gained from direct inter-governmental action in the form of long-term contracts and bulk-purchase agreements. In this context, it is a convenient moment to review the experiments of the United Kingdom Government in the field of long-term contracts for food. These experiments have been in progress since the end of the war and have, therefore, by now had a fair run ; they provide an instructive example[1] of inter-governmental schemes to raise and stabilize the volume of trade in primary products.

Most of the international schemes devised since the war have been based on the experience of the 1930s and lay emphasis on the need to protect producers' interests in times of depressed demand, but the British schemes are primarily designed to foster the interest of consumers by ensuring steady supplies and encouraging production : the schemes also serve the interests of producers, since a guaranteed market for their production is likely to benefit their economy, especially as this guarantee is not of a restrictive character and may imply an expansion of home resources.

The clauses of the British contracts vary from case to case and their degree of success also varies with the nature of the commodity and its origin. As a rule, however, all contracts guarantee the purchase of either a fraction or a specified quantity of the output of the commodity produced in the country with which the contract is made, at a price which is subject to revision up to a defined maximum at certain stated intervals. It has been argued that, because of the guarantee of stable prices, such contracts would be beneficial to producers only if the world economy were subject to cyclical fluctuations, so that while consumers would have the advantage of buying cheap in periods of rising prices, producers would sell dear in periods of falling prices. Although it is true that such agreements would be of great advantage in mitigating the effects of cyclical disturbances on both producers and consumers, the existence of such disturbances does not seem essential to realize the advantages which they present. In cases where the period of production is long and the investment in producing a particular commodity heavy, producers benefit from the possibility of planning production without fear of sharp short-term fluctuations, such as may occur when a bumper crop appears in a competing area, or relatively long-term factors as, for example, a change in the importing country's domestic policy which would bring about an expansion of home production, or the emergence of cut-price competition from an unexpected quarter. So long as they are not monopolists in their field, producers have great need of some sort of indication of their market prospects.

The ideal bulk purchase contract, therefore, would give some guidance to both producers and consumers as to the allocation of their resources. The disadvantages of the contract, however, arise from the technical difficulties which lie in the way of its elaboration. Full success presupposes some knowledge as to the future course of the market, backed by adequate bargaining power, on both sides, and also a knowledge of the repercussions which the signature of the contract can have on internal and external economic conditions. Thus (as the contracts are carried out on a bilateral basis) the signature of a bulk purchase contract by an exporting country with one particular importing country is bound to affect the price of the remainder of the crop not sold to that country ; the existence of the contract is bound to affect the bargaining power of both countries in their negotiations with third parties. Again, exporters may find that, where these contracts make a great call on their resources, the

[1] Subject to the qualification, of course, that for most European countries other than the United Kingdom, food (as against raw materials) forms a relatively small proportion of total imports of primary products.

flexibility of home policy is hampered, and any changes in factors which are only slightly affected by these contracts—such as an increase in the consumption of the particular commodity or the emergence of inflationary conditions—cause great difficulties in their maintenance.

These generalizations will be further elaborated in the following sections which will deal, first with the origin of long-term British food agreements, secondly with some of their characteristics, thirdly with the particular difficulties which they have encountered, and fourthly, with their effects on supply and demand conditions.

Origins of the British Contracts

Centralized buying by the United Kingdom Government is a legacy of war. The experience of the 1914 war had shown that the consequences of leaving imports to private traders at a time of shipping shortage were harmful to producers as well as to consumers. Home supplies were inadequate, while the incentive to produce overseas declined in the face of increases in stocks for which no market was guaranteed. In the recent war it was expected from the outset that imports must be organized in the light of the over-all needs of the country to keep up defence production and maintain an efficient rationing system.[1] The first post-war contracts were short-term contracts ; long-term contracts were later preferred mainly because of the world-wide scarcity of primary products whose supply might be prevented from expanding because of producers' fears for their markets.

Table 1 below gives the breakdown by Ministry of governmental purchases. The Ministry of Food has charge of foodstuff imports, the Ministry of Supply takes care of metal imports, and the Board of Trade of other raw materials, with the exception of cotton which is the concern of the Raw Cotton Commission.

It will be seen from this table that, although the proportion of total imports accounted for by government purchases has been declining steadily, the figure for 1950 is still as high as 46 per cent. The imports handled by the Board of Trade (different types of industrial materials) may be regarded as a heritage of the scarcity created by the war. During the period

Table 1

GOVERNMENT PURCHASES 1947 to 1950

Millions of pounds f.o.b.

Responsible Ministry	1947	1948	1949	1950
Ministry of Food	615	696	752	742
Ministry of Supply . . .	72	89	106	101
Board of Trade	256	200	178	100
Raw Cotton Commission [a]	56	99	114	150
Total of above	999	1,084	1,150	1,093
Total imports (f.o.b.) [b] .	1,560	1,790	1,971	2,374
Government purchases as percentage of total . .	*64*	*61*	*58*	*46*

Sources : Parliamentary debates.

a Estimated f.o.b. value of cotton actually imported during calendar years 1947 to 1950.

b From Cmd. 8201 *(United Kingdom Balance of Payments, 1946 to 1950).*

covered by Table 1 several commodities have reverted to commercial channels as a result of an improvement in the supply situation [2] and the quantity and value of goods imported by the Board of Trade has consequently diminished considerably. The Ministry of Supply has retained control over almost all metals, except that pig iron and semi-finished steel was handed over to the private trade in April 1949 and tin in November 1949. The quantity and value of imported metals increased rapidly up to 1950 ; during that year, however, the price-boom made the Ministry reluctant to buy and the world-wide scarcity in the latter half of the year also tended to reduce the supplies. The Ministry of Food has always been responsible for the bulk of governmental imports, and with the decline in the trade of the other Ministries, its share of bulk purchases has increased. The quantities which it purchased increased until 1950, when smaller quantities were imported of all the different groups of foodstuffs shown in Table 2. Only a few of the commodities it imported have been returned to private importers ; they include : lemons, oranges and grapefruit from

[1] Although bulk purchases are probably essential to maintain an efficient rationing system in highly inflationary conditions, such as wartime, they cannot be said to be an essential condition in times of relative normality.

[2] Since the war, the following (amongst others) have been returned to private trade : imported wool, all hard fibres (notably Manila hemp and African sisal), natural rubber, bristles, cork, rosin, Japanese silk, cotton linters, etc. Timber from British Columbia was decontrolled in January 1950 and during the autumn around a third of all imports of timber was returned to private importers. Imports of hides were freed in January and May 1950, but home-produced hides are still purchased by the Government.

British colonies in May 1950, cocoa in November 1950 and tea in early 1951.

Whereas most foodstuffs are purchased under long-term agreements [1] which fix quantities and prices, imports of raw materials are in general conducted under short-term contracts or directly purchased on the market and at prevailing market prices, and, as it is the purpose of this investigation to examine long-term contracts, the analysis will be limited to Ministry of Food purchases.

General Characteristics of the Ministry of Food Contracts

Table 2 gives the salient details of the most important Ministry of Food contracts. As regards the provisions of the contracts, the following general characteristics can be noticed :

(a) *Period* : The tendency to substitute long-term for short-term contracts is relatively recent, especially in the case of contracts signed with European countries. As most of the agreements were signed in 1948 or 1949, only a few are due to expire in the near future. Important exceptions are the contracts for the purchase of meat from Australia, and eggs from Denmark, both of which fall due in September. A preliminary agreement was signed in October 1950 with Australia, whereby the whole Australian export surplus of meat will be bought for a 15-year period, but no new agreement exists for eggs from Denmark.

(b) *Quantities :* In most cases where the United Kingdom is the dominating market, quantities are defined as a certain proportion of the total exportable surplus, sometimes with the additional stipulation of an absolute maximum ; in other cases, they are specified directly for each year and are more or less of the nature of targets for deliveries.

(c) *Prices :* [2] Tables B1-9 in the Appendix show that differences between prices paid to different exporters of the same commodity have been substantial, whereas before the war, in the absence of bulk contracts, such differences were slight.

Most contracts contain provisions for an annual review of the price, very often coupled with the stipulation of a maximum variation from the preceding price. The contracts with Denmark, Australia and New Zealand, for example, limit the maximum price change to 7½ per cent. Only in a few contracts are prices fixed for a longer period than one year. Some coffee contracts with British East Africa originally fixed the prices for the whole contract period, that is five years.

Difficulties arising in Negotiations for Price Reviews

The difficulties inherent in bulk purchase contracts can easily be illustrated by analysing the course of negotiations for price reviews. It has been said, for instance, that one of the major obstacles to the success of such contracts is the impossibility of appraising important changes in economic policy either in the importing or exporting country.

The devaluation of sterling is one such change whose repercussions were acutely felt in the negotiations with Argentina, Canada, Denmark and the Netherlands. Another disturbing factor has been the recent commodity boom and its inflationary effects.

In the case of Argentina secondary factors were involved in the form of increased consumption of meat, the development of alternative outlets and also an exceptional drought in 1949/50. Devaluation, however, proved the starting-point of the difficulties and, soon after it was announced, the Government of Argentina asked for an adjustment of the sterling price, as the increase of 28 per cent which had been granted in the period immediately preceding devaluation now implied a decrease in the peso price. The increase was refused by the United Kingdom on the ground that the price was fixed in terms of sterling, and it was then that the multiple rate of the peso was put into effect. In the negotiations which followed in March 1950, the difficulties of getting agreement between two parties, each confident of his bargaining strength, were evident. The determination of Argentina was strengthened by its expectation that if need be it could sell its meat elsewhere (*i.e.*, in the United States and the Continent of Europe) ; the United Kingdom's strength was that it was prepared if necessary to cut the meat ration further. Further negotiations in February 1951, when an attempt was made to increase British bargaining power by reducing tinplate deliveries from

[1] In some cases, as for wheat since the middle of 1950, private traders conduct the actual buying as agents for the responsible Ministries.

[2] Originally it was the intention to keep prices secret, but it was soon found that this would be very difficult, especially in view of the fact that the negotiations tended to be dragged into political discussions both in the United Kingdom and in the exporting countries. Prices paid to Poland and the Netherlands have seldom been disclosed ; it can be inferred from trade statistics, however, that they follow the general trend.

Table 2

DETAILS ON MINISTRY OF FOOD

Commodity	Country	Contract period	Price review provisions	Provisions concerning quantities
Wheat . . .	Canada	1 Aug. 1946 – 31 July 1950	Annual review after first two years	. . .
Cattle [a] . .	Ireland	1 July 1948 – 30 June 1952	Prices adjusted according to UK home market prices	90%
Meat [b] . . .	New Zealand [c]	1 Oct. 1948 – 30 Sept. 1955	Annual ± 7½%	Exportable surplus
	Australia [d]	1 Oct. 1949 – 30 Sept. 1951	Prices were fixed for 2 years	Exportable surplus
	Argentina [e]	1 July 1949 – 30 June 1954	Annual	85% 1951 : 230,000 tons
	Uruguay [e]	1 July 1949 – 30 June 1954	Annual	1951 : 60,000 tons
Bacon . . .	Canada	1 Jan. 1948 – 31 Dec. 1950	Annual	1950 : 27,000 tons
	Denmark	1 Oct. 1948 – 30 Sept. 1952	Annual ± 7½%	90%
	Netherlands	1 Jan. 1949 – 31 Dec. 1952	Annual	1951 : 30,000 tons
	Poland	1 Jan. 1949 – 31 Dec. 1953	Annual	1949 : 24,500 tons
Eggs	Canada [f]	1 Feb. 1947 – 31 Dec. 1949	Price review after change in costs	1949 : 4.6 million gt.hds.
	Australia [g]	1 July 1948 – 30 June 1953	Annual ± 7½% [h]	Exportable surplus
	Ireland	1 Feb. 1949 – 31 Jan. 1952	Annual min. price fixed	Exportable surplus
	Denmark	1 Oct. 1947 – 30 Sept. 1951	Annual min. price fixed	85%
	Netherlands	14 Feb. 1949 – 31 Jan. 1953	Annual	1949 : 2.3 million gt.hds.
	Poland	1 Mar. 1949 – 31 Jan. 1954	Annual	1949 : 1 million gt.hds.
Butter . . .	Australia	1 July 1948 – 30 June 1955	Annual ± 7½%	Exportable surplus
	New Zealand	1 Aug. 1948 – 31 July 1955	Annual ± 7½%	97% (1950 reduced to 92½%)
	Denmark	1 Oct. 1949 – 30 Sept. 1955	Annual ± 7½%	75% (max. 115,000 tons)
Cheese . . .	Canada	1 Jan. 1948 – 31 Dec. 1950	Annual	1950 : 31,000-38,000 tons
	Australia	1 July 1948 – 30 June 1955	Annual ± 7½%	97% (1950 reduced to 90%)
	New Zealand	1 Aug. 1948 – 31 July 1955	Annual ± 7½%	97% (1950 reduced to 90%)
Sugar . . .	British Commonwealth	1 Jan. 1948 – 31 Dec. 1952	Annual. Price adjusted according to changes in costs	Exportable surplus

Sources: The Economist: *Records and Statistics, Information Service.* Commonwealth Economic Committee: *Dairy Produce, Meat, Grain.*

a Equivalent meat weight of imported cattle = 230 kg. per unit.

b The percentages are calculated from import figures for frozen and canned beef and chilled and frozen mutton and lamb weighted together at 1948 average unit values.

c Price for lambs : Prime Down Cross 23 to 36 lb.

7,500 tons a year to 4,500 tons, resulted in Argentina's securing in April a price higher than the one it had demanded in January, but the price concession was not the only one, as the signature of the contract was made subject to the final settlement of various financial claims in a protocol to the Anglo-Argentine Trade and Payments Agreement of 1949.[1] Concessions in the negotiations included retrospective payments of £6.25 million for meat shipped to Britain since devaluation, which is equivalent to an addition of about £16 per ton to the agreed price of £127 per ton (the previous price was £96 per ton). Moreover, the total sales per annum were reduced from the 300,000 tons originally planned to 200,000. However, the quantity of canned meat was increased from 20,000 to 30,000 tons and the quality composition of the total of carcass meat was changed so that chilled beef (the typical pre-war variety) was given a certain quota at the expense of frozen beef (the usual post-war type). A small concession in quality was thus made in return for large sacrifices in price and quantity.

The course of recent negotiations with Denmark illustrates the importer's difficulty of dealing with one

[1] There were some concessions on the Argentine side, some of which, however, appear not yet to have been followed up.

2

LONG-TERM CONTRACTS

Percentage share of British imports			Price agreed for contract year				
						1950/51 or 1951	
1948	1949	1950	Unit	1948/49 or 1949	1949/50 or 1950	Autumn 1950 negotiations	Spring 1951 negotiations
79	76	75	Can. $/bushel	2.–	2.–	—	—
100	100	100	—	..	..	..	..
41	36	42	pence/lb.	$10^5/_6$	$11^2/_3$	$12^1/_3$	$12\frac{1}{2}$
18	17	18	pence/lb.	$5^2/_3$	$6^2/_3$	$6^2/_3$	$7^1/_6$
33	35	28	£/ton	£76 3*s.*	£97 10*s.*	—	£128 12*s.*
2	5	7	£/ton	£76 3*s.*	£97 10*s.*	—	£128 12*s.*
70	18	15	shgs./cwt.	200/1	210/11	—	—
18	58	59	shgs./cwt.	225/–	217/–	229/–	233/3
3	8	9	shgs./cwt.	..	..	229/–	..
7	14	15	—	..	..	..	..
30	12	0	shgs./dozen	2/7	—	—	—
11	10	8	shgs./dozen	$1/10\frac{1}{2}$	$2/0^1/_2$	..	..
14	16	20	—	..	..	..	..
29	44	61	shgs./gt.hd.	26/– [i]	25/–	25/–	—
9	11	1	—	..	..	..	..
6	5	9	—	..	..	..	..
27	23	20	shgs./cwt.	233/6	251/–	251/–	269/10
50	42	38	shgs./cwt.	235/–	252/6	252/6	271/5
19	30	38	shgs./cwt.	321/6	271/6	271/6	291/10
10	10	17	shgs./cwt.	150/–	167/–	—	—
12	9	11	shgs./cwt.	131/6	140/–	140/–	150/6
53	44	52	shgs./cwt.	133/–	141/6	141/6	152/1
38	46	39	£/ton c.i.f.	£27 5*s.*	£30 10*s.*	£32 17*s.* 6*d.*	No change

d The indicated price refers to beef ; prices for other types moved parallel.
e Average price for all types.
The price refers to storage eggs.
g The price refers to eggs in shell (oiled).
h The price originally fixed until 30 June 1951 but price increases were granted in 1949.
i March-June 23 shgs./gt.hd., remainder of year 29 shgs./gt.hd.

party who supplies only a fraction of the total imports of the commodity concerned without at the same time extending concessions to the other suppliers. Denmark found its demand for readjustment refused, although it had suffered heavily from devaluation because its agreements with the United Kingdom were on a sterling basis, whereas not all the essential imports needed to make possible the exports to which it was committed came from areas which devalued. The British attitude seems to have been motivated by the fear that price concessions to Denmark would have to be followed by further concessions to Australia and New Zealand, and it is significant that the first concession which was granted applied to bacon (an increase of 5½ per cent in the price effective from January 1951 to September 30), a commodity which does not figure in the agreements with these countries, and that the second concession of retroactive price increases for all the commodities covered by long-term agreements except eggs [1] was granted only when it was also made to Australia and New Zealand. The Netherlands, whose position *vis-à-vis* the United Kingdom is that of a very small supplier and which had to cut its exports of eggs in the face of very low

[1] It was, however, agreed that the egg price would be reviewed the following season.

pre-devaluation British prices, was granted the same prices for butter and bacon as Denmark.

The factor of devaluation also played a role in negotiations with Canada, especially in connexion with the attempts made by the British Government to switch purchases from dollar to non-dollar sources. During and immediately after the war Canada was an important supplier of wheat, cheese, eggs and bacon. The decline in the share of imports from Canada in Britain's total imports of foodstuffs had been proceeding before devaluation, but was accentuated afterwards. In the bacon agreement, for example, the price was reduced considerably in terms of Canadian dollars, and the Canadian Government had to subsidize exports by 3½ cents per lb. As a result, further drastic cuts were made in exports, from 90.7 thousand tons in 1948 to as little as 29.8 thousand tons in 1949 and 32.8 thousand tons in 1950. During the discussions of the 1951 deliveries, the British Government offered the same price as previously, but no agreement was reached, as the Canadian Government was unwilling to continue to subsidize exports. The same applied to cheese, for which the dollar export price was reduced after devaluation in order to reduce the rise in the sterling price to only 11 per cent, and which was subsidized by the Canadian Government to the tune of 2½ million dollars a year. In this case, however, a short-term contract for 20 million lb. for only one year at an undisclosed price was concluded with the Ontario Cheese Producers' Marketing Board.

The wheat agreements with Canada illustrate, *par excellence*, the fundamental difficulty of bulk purchase agreements—namely, faulty forecasting of world market conditions. Canadian farmers were willing in 1946 to accept a price lower than the prevailing free market price because they expected a fall in demand ; in 1950, however, they complained of the " losses " they incurred by selling their wheat to the United Kingdom instead of selling it on the free market. As a result, the wheat contract has not been renewed since its expiration in July 1950, and there are now no long-term food agreements between the United Kingdom and Canada.

The commodity boom which began in 1950 has also had a disturbing influence. In the autumn of 1950, Australia and New Zealand pressed for reconsideration of the prices fixed in their agreements, even though a price review was not due until well on in 1951. As a first concession, the Ministry of Food agreed that only 90 per cent of the New Zealand exportable surplus need be shipped to the United Kingdom instead of the former 97 per cent.

Effects of the Agreements on Supply and Demand Conditions

It was suggested above that the agreements were intended to have favourable effects in fostering production in the exporting countries. In the event it seems that such increases in production as have occurred since the war are largely attributable to internal factors ; for example, increases in home consumption and normal recovery from the low levels of wartime production. In a few of the exporting countries increases in production can, however, be ascribed to increases in the United Kingdom's demand. Poland and Denmark increased their bacon production in response to the British purchase agreements and an expansion of agricultural production in general has taken place in New Zealand. But in Australia, agricultural output has risen only slowly in spite of the additional stimulus given by a rapid increase in home consumption. In the Netherlands, both production and exports increased after the agreements were signed, but production increased faster than exports. In some cases, the long-term agreements have been followed by a decline in production and exports to the United Kingdom. As explained in the preceding section, Argentina and Canada are examples of such an adverse movement.

The failure of supply to respond as a general rule to the existence of such long-term contracts is taken sometimes to be the result of the disparity between prices paid by the United Kingdom and prices paid by other importers. Tables A 1-15 show that, in effect, the margin has been substantial. It would be misleading, however, to stress this factor, as the existence of the margin itself is in part a result of the long-term agreements (which by earmarking an appreciable proportion of the total supply for the United Kingdom reduce export availabilities to the free market), and since changes in this margin are bound to be more violent than changes in the average price which would prevail in the absence of the agreement. The reasons for the difficulties in the agreements should rather be sought in the over-all economic situation in the exporting countries, and not least in the repercussions which the fall in the value of sterling had on their balances of payments.

Although responsiveness of supply to long-term contracts has been rather disappointing, the United Kingdom has tended to rely more and more on such contracts for its foodstuff imports. This is clearly shown in Table 3 where it can be seen that the share of total imports bought under long-term contracts (primarily with non-dollar suppliers) has increased for seven out of ten groups shown.[1] By sheltering the British consumer (and Exchequer) from sudden changes in prices, the contracts have exercised an important stabilizing influence on the cost of living in the United Kingdom.

The effects of long-term food import policy cannot be easily disentangled from the effects of home agricultural policy, but it can be safely assumed that in the absence of long-term contracts measures to increase self-sufficiency would be adopted on balance of payments grounds. It is true that the composition of the subsidy bill has changed considerably and that, whereas immediately after the war the subsidies were used mainly to keep down the price of imported food, the larger part of the total subsidy bill will now have to be used to subsidize home production.[2] But the expansion of British agriculture hinges on considerations other than those which are relatively short-term and strictly economic.

Need for Protection from Changes in the Value of Buyers' Currency

The above analysis of the operations of bulk purchase agreements in the light of British experience suggests that the main difficulty lies in the anticipation of the impact and type of disturbing factors. It has been seen that both devaluation and the commodity boom have prevented the smooth functioning of the agreements. The determination of the contract price can be nothing but fictitious when the purchasing power of the currency in which it is fixed is likely to fluctuate greatly, and it would appear that when this is the case long-term purchase contracts should be combined with clauses allowing adjustments to meet changes in the value to the seller of the buyer's currency. This, in its turn, implies co-ordinated economic policies on the part of both the importing and the exporting country. The position of Denmark, for instance would have been greatly improved if the price reviews for exports had been made in the light of Danish import prices, instead of being handled in the main independently.

There would remain the problem of contests of bargaining power. Such contests are minimized in international commodity agreements of the type which has been designed for wheat and which also tends to foster increases in production within the framework of stable price ranges and long-term adjustments. In the case of wheat, however, both buyers and sellers are numerous, whereas, in those commodities for which the United Kingdom has such long-term contracts, it is the only buyer of importance. Until the other smaller buyers press for such international agreements, the systems confined to such commodities as meat and sugar, where the period of production is long, can still prove useful if the price fixed has relative stability in purchasing power and if the agreements are signed within the framework of the economic conditions likely to prevail in both the exporting and the importing countries.

Table 3

QUANTITIES OF CERTAIN FOODSTUFFS IMPORTED UNDER LONG-TERM CONTRACTS AS PERCENTAGES OF TOTAL QUANTITIES IMPORTED

Commodity	1946	1947	1948	1949	1950
Wheat	—	82	79	76	75
Beef	72	84	91	98	98
Mutton	92	92	95	99	92
Lamb	96	96	97	98	98
Bacon	—	74	70	80	83
Butter	79	81	77	95	96
Cheese	49	51	65	53	63
Eggs in shell	—	72	84	98	98
Sugar, unrefined	—	—	38	46	39
Coffee	—	..	71	63	61

NOTE. — The percentages in Table 3 are derived from appendix tables B:1-9, with the exception that eggs imported from Poland in 1949 and 1950 (5 and 8 per cent respectively of total British imports) are included here, but not in those tables.

[1] Only in the case of such commodities as cheese, where the product is not homogeneous, have other methods of importing also been used.

[2] According to a statement of Mr. Gaitskell on 20 April 1951, the losses incurred by the Ministry of Food in 1950/51 on home produced food amounted to 44 per cent of the costs of procuring the food, whereas the losses on imported food were estimated at only 16 per cent of the landed costs.

Statistical Appendix to the Article "Note on British Long-term Food Purchase Contracts"

Tables A 1 — 15

EXPORTING COUNTRIES: PRODUCTION, TOTAL EXPORTS, EXPORTS TO THE UNITED KINGDOM, AND UNIT VALUES, OF FOODSTUFFS SUBJECT TO LONG-TERM CONTRACTS

Table A 1 — WHEAT (Canada)

Year	Production in thousand tons	Exports		Exports to United Kingdom		Unit value (£/ton) of exports to		*Ratio: (A) as a percentage of (B)*
		Thousand tons	*As a percentage of production*	Thousand tons	*As a percentage of total exports*	(A) United Kingdom	(B) Other countries	
1938	9,798	3,107	*32*	1,666	*54*	6.3	5.3	*119*
1946	11,260	4,287	*38*	2,458	*57*	14.2	14.9	*95*
1947	9,301	4,366	*47*	3,693	*85*	14.0	20.8	*67*
1948	10,515	3,692	*35*	3,193	*86*	15.3	23.2	*66*
1949	9,999	5,726	*57*	3,791	*66*	19.9	21.5	*93*
1950	12,565	4,436	*35*	2,367	*53*	23.8	23.8	*100*

Sources: *Trade of Canada*, 1938, 1946-1950; *Report on the Grain Trade of Canada*, 1948/49; *Canadian Statistical Review*, April 1951.

Table A 2 — BEEF (Australia)

Year	Production in thousand tons	Exports		Exports to United Kingdom		Unit value (£/ton) of exports to		*Ratio: (A) as a percentage of (B)*
		Thousand tons	*As a percentage of production*	Thousand tons	*As a percentage of total exports*	(A) United Kingdom	(B) Other countries	
1938 [a] . . .	568	117.9 [b]	*21*	107.5 [b]	*91*			
1946 [c] . . .	454	64.5	*14*	43.2	*67*	42	50	*84*
1947 [c] . . .	532	93.7	*18*	82.0	*88*	44	56	*79*
1948 [c] . . .	576	96.7	*17*	82.1	*85*	48	64	*75*
1949 [c] . . .	594 [d]	85.3	*14*	65.9	*77*	54	74	*73*
1950 . . .	631 [d]	70.4	*11*	51.2	*73*	67	89	*75*

Sources: Commonwealth Economic Committee, *Intelligence Bulletin*. Australian Trade Statistics, *Overseas Trade* 1938/39, 1946/47, 1947/48. *Monthly Bulletin of Overseas Trade Statistics*, 1948-1950.

a Year July 1938 to June 1939.
b Including chilled beef.
c Average of two consecutive July-June years.
d *Foreign Crops and Markets*, 14 May 1951.

Table A 3 — BEEF (Argentina)

Year	Production in thousand head [a]	Exports		Exports to United Kingdom	
		Thousand head	*As a percentage of production*	Thousand head	*As a percentage of total exports*
1938	3,361 [b]	1,515	*45*	1,186	*78*
1946	2,415	829	*34*	608	*73*
1947	3,559	1,252	*35*	843	*67*
1948	2,978	951	*32*	573	*60*
1949	2,933	1,152	*39*	794	*69*
1950	3,160 [c]	661	*21*	497	*75*

Sources: Commonwealth Economic Committee, *Meat*, London, 1950.
The Review of the River Plate, 13 January 1939, 24 January 1947, 23 January 1948, 21 January 1949, 20 January 1950, 26 January 1951
Commonwealth Economic Committee, *Intelligence Bulletin*, March 1951.

a Slaughterings in *frigoríficos* and meat factories. *b* 1936-1940 average. *c* Jan.-Sept. rate, seasonally adjusted.

Table A 4 — MUTTON AND LAMB (New Zealand)

Year	Production in thousand tons	Exports		Exports to United Kingdom	
		Thousand tons	*As a percentage of production*	Thousand tons	*As a percentage of total exports*
1938	247 [a]	185	*75*	185	*100*
1946	316	256	*81*	256	*100*
1947	319	260	*82*	260	*100*
1948	307	253	*82*	253	*100*
1949	323 [b]	261	*81*	..	..
1950	337 [b]	259 [c]	*77*	..	..

Sources: Commonwealth Economic Committee, *Meat*, London, 1950. *Monthly Abstract of Statistics*, Wellington, March 1951.
a Average 1937-1939, years ending 30 September. *b* Year ended 30 September. *c* Jan.-Sept. rate, seasonally adjusted.

Table A 5 — MUTTON AND LAMB (Argentina)

Year	Production in thousand carcases [a]	Exports		Exports to United Kingdom	
		Thousand carcases	*As a percentage of production*	Thousand carcases	*As a percentage of total exports*
1938	5,723 [b]	2,691	*47*	2,555	*95*
1946	9,511	5,903	*62*	3,855	*65*
1947	10,403	6,207	*60*	4,782	*77*
1948	6,812	3,617	*53*	3,007	*83*
1949	5,296	3,272	*62*	2,754	*84*
1950	3,900 [c]	1,379	*(35)*	1,309	*95*

Sources: *The Review of the River Plate*, 13 January 1939, 24 January 1947, 23 January 1948, 21 January 1949, 20 January 1950, 26 January 1951. Commonwealth Economic Committee, *Intelligence Bulletin*, March 1951.
a Slaughterings in *frigorificos* and meat factories. *b* 1936-1940 average. *c* Jan.-Sept. rate, seasonally adjusted.

Table A 6 — CHEESE (Canada)

Year	Production in thousand tons	Exports		Exports to United Kingdom	
		Thousand tons	*As a percentage of production*	Thousand tons	*As a percentage of total exports*
1938	57.6	36.7	*64*	34.5	*94*
1946	67.9	48.3	*71*	47.3	*98*
1947	56.9	25.2	*44*	24.4	*97*
1948	40.6	18.1	*45*	17.0	*94*
1949	53.0	23.9	*45*	22.7	*95*
1950	43.7	28.6	*65*	26.9	*94*

Sources: Commonwealth Economic Committee, *Intelligence Bulletin*, United States Department of Agriculture, *Foreign Crops and Markets*. Commonwealth Economic Committee, *Dairy Produce*, London, 1950.

Table A 7 — BACON (Canada)

Year	Production in thousand tons (all pig-meat)	Exports (bacon, hams, shoulders)		Exports to United Kingdom	
		Thousand tons	*As a percentage of production*	Thousand tons	*As a percentage of total exports*
1938	266	77.5	*29*	76.9	*99*
1946	451	131.2	*29*	129.9	*99*
1947	441	107.0	*24*	105.3	*98*
1948	427	92.9	*22*	90.7	*98*
1949	413	30.4	*7*	29.8	*98*
1950	425 *a*	35.7	*8*	32.8	*92*

Sources : Commonwealth Economic Committee, *Intelligence Bulletin*, April 1951.
Canadian Statistical Review, April 1951.
Commonwealth Economic Committee, *Meat*, London, 1950.

a Estimated on the basis of inspected slaughterings of hogs.

Table A 8 — BACON (Denmark)

Year	Production in thousand tons (all pig-meat)	Exports (bacon, hams, shoulders)		Exports to United Kingdom		Unit value (£/ton) of exports to		*Ratio : (A) as a percentage of (B)*
		Thousand tons	*As a percentage of production*	Thousand tons *a*	*As a percentage of total exports*	(A) United Kingdom *b*	(B) Other countries	
1938	322	178.6	*55*	174.1	*97*	—	—	—
1946	203	62.6	*31*	49.6	*79*	140	156	*90*
1947	210	57.8	*28*	35.6	*62*	157	220	*71*
1948	179	41.3	*23*	25.4	*62*	221	225	*98*
1949	276	105.8	*38*	89.1	*84*	221	232	*95*
1950	356	179.2	*50*	143.0	*80*	..	..	..

Sources : Commonwealth Economic Committee, *Intelligence Bulletin*, February and May 1951.
Danish trade statistics.

NOTE. — The unit values are calculated on bacon.

a Bacon and hams only.

b Bacon only.

Table A 9 — BACON (Netherlands)

Year	Production in thousand tons (all pig-meat)	Exports *a*		Exports to United Kingdom *b*	
		Thousand tons	*As a percentage of production*	Thousand tons	*As a percentage of total exports*
1938	213	28.7	*13*	26.4	*92*
1946	74	—	—	—	—
1947	85	0.58	*1*	0.56	*97*
1948	99	3.9	*4*	3.2	*82*
1949	164	12.3	*8*	12.0	*98*
1950	247	25.4	*10*	20.8	*82*

Sources : Commonwealth Economic Committee, *Intelligence Bulletin*, March and May 1951.

a Bacon and small quantities of other pig-meat.

b Nearly all bacon.

Table A 10 — BUTTER (Australia)

Year [a]	Production in thousand tons	Exports		Exports to United Kingdom		Unit value (£/ton) of exports to		*Ratio : (A) as a percentage of (B)*
		Thousand tons	*As a percentage of production*	Thousand tons	*As a percentage of total exports*	(A) United Kingdom	(B) Other countries	
1938 [b] . . .	207	104.1	*50*	98.5	*95*	99	*111*	*89*
1946	149	61.5	*41*	54.4	*88*	161	*163*	*99*
1947	155	72.2	*47*	65.1	*90*	184	*182*	*101*
1948	167	83.6	*50*	75.4	*90*	210	*233*	*90*
1949	176 [c]	80.4	*46*	70.8	*88*	240	*277*	*87*
1950 [d] . . .	175 [c]	80.2	*46*	69.2	*86*	261	*298*	*88*

Sources : Commonwealth Economic Committee, *Dairy Produce*, London, 1950.
Commonwealth Economic Committee, *Intelligence Bulletin.*
Overseas Trade 1938/39, 1946-1948 ; *Monthly Bulletin of Overseas Trade Statistics*, 1948-1950.

a Arithmetic averages of July to June years except 1938 and 1950.

b Year 1 July 1938—30 June 1939.

c Estimates made by U.S. Office of Foreign Agricultural Relations and published in *Foreign Crops and Markets*, 4 June 1951.

d Calendar year.

Table A 11 — BUTTER (Denmark)

Year	Production in thousand tons	Exports		Exports to United Kingdom		Unit value (£/ton) of exports to		*Ratio : (A) as a percentage of (B)*
		Thousand tons	*As a percentage of production*	Thousand tons	*As a percentage of total exports*	(A) United Kingdom	(B) Other countries	
1938	189.4	158.0	*83*	119.4	*76*	106	108	*98*
1946	140.9	77.6	*55*	47.9	*62*	208	277	*75*
1947	125.2	87.1	*70*	42.9	*49*	238	312	*76*
1948	120.4	106.1	*88*	54.4	*51*	316	377	*84*
1949	156.1	138.3	*89*	96.7	*70*	308	400	*77*
1950	179.0	154.8	*86*	126.5	*82*	..	..	..

Sources : Commonwealth Economic Committee, *Intelligence Bulletin*, February 1951 ; Commonwealth Economic Committee, *Dairy Produce*, London 1950 ; *Importations et Exportations du Danemark*, 1938, 1946-1949.

NOTE. — The unit values are calculated on " butter in barrels ".

Table A 12 — BUTTER (New Zealand)

Year	Production in thousand tons [a]	Exports		Exports to United Kingdom	
		Thousand tons	*As a percentage of production*	Thousand tons	*As a percentage of total exports*
1938	156.7	132.8	*85*	128.4	*97*
1946	135.7	103.4	*76*	99.2	*96*
1947	148.4	129.6	*88*	..	..
1948	158.4	137.8	*87*	134.4	*98*
1949	166.9	150.0	*90*	..	..
1950	168.7	..	..	..	..

Sources : Monthly Abstract of Statistics ; 1948, March 1951. *Trade and Shipping of New Zealand*, 1938. *Trade and Shipping Statistics*, 1946. *External Trade*, 1948.

a Production figures are derived from averages of dairy years ending 30 June, except 1950 figures, which refer to the calendar year. They refer to creamery butter.

Table A 13 — EGGS IN SHELL (Canada)

Year	Production in million dozen	Exports		Exports to United Kingdom	
		Million dozen	*As a percentage of production*	Million dozen	*As a percentage of total exports*
1938	221	1.8	*1*	1.5	*83*
1946	352	39.6	*11*	38.4	*97*
1947	407	58.1	*14*	56.5	*97*
1948	389	48.5	*12*	45.9	*95*
1949	344	29.8	*9*	25.6	*86*
1950	353	7.9	*2*	—	—

Sources : Commonwealth Economic Committee, *Intelligence Bulletin*, March and April 1951.
Commonwealth Economic Committee, *Dairy Produce*, London, 1950.

Table A 14 — EGGS IN SHELL (Netherlands)

Year	Production in million dozen	Exports		Exports to United Kingdom		Unit value (£/100 dozen) of exports to		*Ratio : (A) as a percentage of (B)*
		Million dozen	*As a percentage of production*	Million dozen	*As a percentage of total exports*	(A) United Kingdom	(B) Other countries	
1938	164.8	114.2	*69*	67.5	*59*	5.1 [a]	5.2 [a]	*98*
1946	40.0	1.0	*2*	—	—	—	—	—
1947	87.7	16.9	*19*	4.4	*26*	15.6 [a]	21.7 [a]	*72*
1948	96.6	30.1	*31*	14.0	*47*	13.2	18.4	*72*
1949	123.3	33.3	*27*	19.4	*58*	12.7	19.6	*65*
1950	158.3	91.7	*58*	1.7	*2*	13.6	17.4	*78*

Sources : Commonwealth Economic Committee, *Intelligence Bulletin*, March 1951. Netherlands trade statistics.
[a] £/100 kg.

Table A 15 — EGGS IN SHELL (Denmark)

Year	Production in million dozen	Exports		Exports to United Kingdom		Unit value (£/100 dozen) of exports to		*Ratio : (A) as a percentage of (B)*
		Million dozen	*As a percentage of production*	Million dozen	*As a percentage of total exports*	(A) United Kingdom	(B) Other countries	
1938	177.3	120.9	*68*	86.4	*71*	4.7	5.0	*94*
1946	81.0	14.2	*18*	8.8	*62*	8.3	11.9	*70*
1947	88.0	28.5	*32*	22.6	*79*	9.0	15.5	*58*
1948	136.0	57.6	*42*	46.6	*81*	11.8	13.9	*85*
1949	168.4	113.9	*68*	96.9	*85*	11.4	14.2	*80*
1950	188.4	133.2	*71*	106.3	*80*	..	..	..

Sources : Commonwealth Economic Committee, *Intelligence Bulletin*, February 1951. Commonwealth Economic Committee, *Dairy Produce*, London 1950. Danish trade returns.

Tables B 1 — 9

UNITED KINGDOM IMPORTS OF FOODSTUFFS SUBJECT TO LONG-TERM CONTRACTS FROM VARIOUS SOURCES, AND UNIT VALUES

Table B 1 : WHEAT

Year	Total imports (thousand tons)	Percentage of Total supplied by				Unit Value (£/ton) of Imports from			
		Australia	Canada	United States	Other countries	All countries	Australia	Canada	United States
1938	5,163	30	28	16	26	7.5	7.6	7.7	8.4
1946	3,444	—	85	12	3	19.4	—	18.5	26.6
1947	4,261	—	82	8	10	21.4	—	*19.4*	26.7
1948	4,299	18	79	0	3	22.2	30.1	*20.0*	(29.0)
1949	4,861	17	76	6	1	25.3	25.9	*25.0*	26.8
1950	3,314	9	75	14	2	28.0	25.9	*28.5*	27.1

Sources : Tables B 1-9. *Accounts relating to Trade and Navigation of the United Kingdom*, His Majesty's Stationery Office, London.

Table B 2 : BEEF *a*

Year	Total imports (thousand tons)	Percentage of Total supplied by					Unit Value *b* (£/ton) of Imports from				
		Australia	New Zealand	Argentina	Uruguay	Other countries	All countries	Australia	New Zealand	Argentina	Uruguay
1938	623	19	8	62	6	5	39	37	36	39	37
1946	419	11	14	40	7	28	83	*53*	*61*	*69*	*70*
1947	533	20	12	51	1	16	79	*57*	*57*	*73*	*74*
1948	409	22	17	51	3	6	71	*63*	*54*	*69*	*73*
1949	390	15	12	61	10	2	92	*69*	*63*	*97*	*107*
1950	349	17	17	51	13	2	96	*80*	*69*	*105*	*107*

a The figure for 1938 includes chilled beef ; tongues and offal are included for all years.
b The unit value is calculated on frozen beef, fore and hind quarters, except that, for 1938, the unit value is calculated on chilled beef.

Table B 3 : MUTTON

Year	Total imports (thousand tons)	Percentage of Total supplied by				Unit Value (£/ton) of Imports from			
		Australia	New Zealand	Argentina	Other countries	All countries	Australia	New Zealand	Argentina
1938	82	23	63	6	8	34	33	35	38
1946	132	12	58	22	8	54	*49*	*51*	*52*
1947	119	7	64	21	8	57	*51*	*55*	*61*
1948	91	5	77	13	5	62	*53*	*63*	*58*
1949	92	17	68	14	1	66	*60*	*63*	*83*
1950	120	20	63	9	8	70	*62*	*67*	*86*

Note. — Figures in italics represent recorded unit values during periods when long-term contracts are known to have been operating.

Table B 4 : LAMB

Year	Total imports (thousand tons)	Percentage of Total supplied by				Unit Value (£/ton) of Imports from			
		Australia	New Zealand	Argentina	Other countries	All countries	Australia	New Zealand	Argentina
1938	268	29	50	15	6	61	59	65	56
1946	286	12	60	24	4	88	*76*	*94*	*76*
1947	314	14	57	25	4	93	*91*	*99*	*80*
1948	299	13	65	19	3	97	*91*	*103*	*82*
1949	274	17	66	15	2	113	*100*	*116*	*116*
1950	278	15	72	11	2	122	*107*	*125*	*125*

Table B 5 : BACON

Year	Total imports (thousand tons)	Percentage of Total supplied by					Unit Value (£/ton) of Imports from				
		Canada	Denmark	Nether-lands	Poland	Other countries	All countries	Canada	Denmark	Nether-lands	Poland
1938	349	19	49	7	—	25	89	85	93	89	—
1946	176	73	23	—	—	4	129	126	138	—	—
1947	134	74	25	1	—	—	156	*156*	158	180	—
1948	136	70	18	3	7	2	205	*198*	223	220	226
1949	141	18	58	8	14	2	225	235	*223*	*224*	226
1950	248	15	59	9	15	2	221	249	*215*	*220*	*219*

Table B 6 : BUTTER

Year	Total imports (thousand tons)	Percentage of Total supplied by				Unit Value (£/ton) of Imports from			
		Australia	New Zealand	Denmark	Other countries	All countries	Australia	New Zealand	Denmark
1938	484	19	27	25	29	105	105	110	108
1946	215	31	48	21	—	174	*162*	*163*	216
1947	220	25	56	19	—	195	*183*	*184*	245
1948	277	27	50	19	4	245	*215*	*218*	322
1949	323	23	42	30	5	269	*245*	*246*	*312*
1950	341	20	38	38	4	265	*260*	*261*	*272*

Note. — Figures in italics represent recorded unit values during periods when long-term contracts are known to have been operating.

Table B 7 : CHEESE

Year	Total imports *(thousand tons)*	Percentage of Total supplied by					Unit Value (£/ton) of Imports from				
		Australia	New Zealand	Canada	United States	Other countries	All countries	Australia	New Zealand	Canada	United States
1938	149	8	56	23	—	13	65	62	66	68	—
1946	207	9	40	26	23	2	126	*106*	*102*	115	183
1947	194	8	43	12	31	6	162	*115*	*113*	148	238
1948	160	11	53	10	16	10	165	*131*	*129*	171	255
1949	216	9	44	10	19	18	178	*143*	*145*	176	205
1950	156	11	52	17	5	15	176	*151*	*153*	187	129

Table B 8 : EGGS IN SHELL

Year	Total imports *(million dozen)*	Percentage of Total supplied by						Unit Value (£/100 dozen) of Imports from					
		Australia	Ireland	Canada	Denmark	Netherlands	Other countries	All countries	Australia	Ireland	Canada	Denmark	Netherlands
1938	277	4	8	1	34	21	32	4.5	5.9	4.5	5.9	4.9	4.6
1946	81	18	23	45	10	—	4	11.4	8.5	14.4	11.7	9.3	—
1947	116	13	11	48	19	6	3	11.6	*9.5*	*14.4*	*12.1*	9.3	14.1
1948	155	11	14	30	29	9	7	13.9	*11.0*	*16.2*	*13.8*	*14.5*	14.0
1949	210	10	16	12	44	11	7	14.5	*12.0*	*16.4*	*16.1*	*14.3*	*14.5*
1950	168	8	20	—	61	1	10	12.8	*12.5*	*14.0*	17.9	*12.8*	*14.3*

Table B 9 : SUGAR, UNREFINED

Year	Total imports *(thousand tons)*	Percentage of Total supplied by			Unit Value (£/ton) of Imports from		
		Commonwealth countries	Cuba	Other countries	All countries	Commonwealth countries	Cuba
1938	2.407	51	25	24	7.8	10.3	5.3
1946	1.494	26	50	24	24.7	25.0	24.6
1947	1.902	20	60	20	31.1	30.2	31.4
1948	1.900	38	41	21	30.7	*32.8*	29.8
1949	2.221	46	34	20	29.6	*31.7*	28.8
1950	2.152	39	42	19	37.3	*34.3*	40.0

NOTE. — Figures in italics represent recorded unit values during periods when long-term contracts are known to have been operating.

EUROPEAN ECONOMIC STATISTICS[1]

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SYMBOLS EMPLOYED

The following symbols have been used throughout this BULLETIN :

.. = not available
— = nil or negligible
* = provisional estimate by the Secretariat of the Economic Commission for Europe
• = Revised figure

In referring to combinations of years, the use of an oblique stroke—*e.g.*, 1948/49—signifies a 12-month period (say from 1 July 1948 to 30 June 1949). The use of a hyphen—*e.g.*, 1947-1949—signifies the full period of calendar years covered (including the end years indicated).

Unless otherwise indicated, the standard unit of weight used throughout is the metric ton. The definition of "billion" used throughout is one thousand millions. Minor discrepancies in totals and percentages are due to rounding.

[1] For notes on the sources and methods used in the compilation of the statistics, see pp. 77 to 79.

Table I

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

Country	*1938 = 100*				*1948 = 100*					
					1949	1950				1951
	1947	1948	1949	1950	Fourth quarter	First quarter *a*	Second quarter	Third quarter	Fourth quarter *b*	First quarter *ab*
Austria	56 *c*	90 *c*	120 *c*	142 *c*	149	149	155	157	171	167
Belgium	106	114	116	120	102	103	103	101	117	122
Bulgaria	145	175	227	280	..	..	..	..	..	..
Czechoslovakia	93 *c*	110 *c*	127 *c*	147 *c*	127	131	136	124	146	148
Denmark	123	135	142	155	115	113	122	110	125	124
Finland	117	133	142	145	115	113	115	97	110	125
France	92	108	118	121	112	109	112	102	121	124
Saar	49	67	83	88	130	130	120	132	147	159
Germany : western zones	33	50	75	96	162	164	178	194	220	221
West Berlin	31	28	19	28	80	81	90	103	134	143
Soviet Zone	47	60	72	91	..	..	..	..	..	..
Greece	69	75	89	112	130	127	140	158	172	161
Hungary	75	107	153	207	..	..	..	..	..	..
Ireland	122	134	143	161	117	114	123	119	124	..
Italy	86	91	96	109	112	114	121	117	130	135
Luxembourg	109	145	138	146	80	92	97	102	111	118
Netherlands	95	113	126	139	122	117	121	125	135	133
Norway	115	128	140	151	115	122	121	103	125	128
Poland	104 *d*	143 *d*	175 *d*	213 *d*	137	149	156	164	170	..
Portugal	112	118	109	115	100	88	92	106	101	..
Rumania	55	83	117	160	..	..	..	..	..	..
Spain	127 *e*	127 *e*	130 *e*	144 *e*	109	110	116	113	113	..
Sweden	141	150	157	165	110	110	114	99	118	116
Turkey	151	156	161	159	108	101	105	102	105	..
United Kingdom	115	128	137	150	113	117	116	111	124	121
Total of countries listed	82	96	109	124	120	122	125	123	138	138

NOTE. — The indices in general cover manufacturing, mining and gas, water and electricity supply, but not building. In some instances, however, the index numbers do not cover the food, woodworking, clothing and printing industries. The quarterly indices may cover less than the annual indices.

a The index numbers for the United Kingdom and certain other countries are not adjusted for the changing position of Easter.

b Provisional.

c 1937 = 100.

d Current production compared with 1938 production in pre-war area.

e 1940 = 100.

Table II

INDEX NUMBERS OF ENGINEERING PRODUCTION

Country	*1938 = 100*				*1948 = 100*					
	1947	1948	1949	1950	1949	1950				1951
					Fourth quarter	First quarter *a*	Second quarter	Third quarter	Fourth quarter	First quarter *a b*
Austria	56 *c*	98 *c*	152 *c*	188 *c*	190	181	185	177	222	203
Belgium	113	126	122	115	89	88	89	86	102	103
Czechoslovakia	97 *c*	120 *c*	131 *c*	156 *c*	118	122	126	128	132	150
Denmark	140	156	161	179	109	113	117	106	125	123
Finland	175	211	230	186	118	111	106	55	79	116
France	98	120	141	131	116	109	112	101	116	122
Germany : western zones	22	39	66	92	188	189	221	241	294	298
West Berlin	..	21	17	24	94	96	101	114	153	166
Greece	19	27	31	41	134	115	142	160	189	160
Hungary	102	142	199	..	..	..	..	..	..	..
Ireland	143	215	206	237	109	110	118	101	112	..
Italy	77	71	79	84	119	118	122	112	122	128
Netherlands *d*	93	122	143	159	123	118	125	138	141	145
Norway	130	148	160	162	113	116	114	90	118	116
Poland	130 *c*	193 *c*	240 *c*	..	..	..	..	..	..	..
Sweden	154	164	168	171	108	110	108	90	111	113
Switzerland	139	139	117	121	..	..	..	..	..	..
United Kingdom	132	151	164	182	114	118	120	114	129	122
Total of countries listed	85	102	119	133	123	123	129	124	144	145

NOTE. — The indices include, as far as possible, mechanical and electrical engineering, transport equipment (including ships and aircraft) and metal goods, but exclude precision engineering and the clock and watch industries.

a The index numbers for the United Kingdom and certain other countries are not adjusted for the changing position of Easter.

b Provisional.

c 1937 = 100 ; for Poland, current production compared with 1937 production in pre-war area.

d Including the manufacture of metals.

Table III

INDEX NUMBERS OF CHEMICAL PRODUCTION

Country	*1938 = 100*				*1948 = 100*					
					1949	1950				1951
	1947	1948	1949	1950	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter [a] [b]
Austria	77 [c]	145 [c]	167 [c]	208 [c]	123	134	136	144	157	160
Belgium	129 [d]	151 [d]	158 [d]	170 [d]	113	..	..	..	..	..
Czechoslovakia	102 [c]	124 [c]	134 [c]	140 [c]	116	109	109	108	115	131
Denmark	100	114	126	139	118	123	130	107	128	136
Finland	154	178	204	234	123	131	140	123	133	143
France	97	114	112	118	100	102	106	99	117	117
Germany : western zones	34	49	69	89	148	157	177	199	194	213
Greece	59	63	81	94	138	138	121	153	185	175
Hungary	88	107	174	..	..	..	..	..	..	..
Ireland	103	109	122	144	122	132	124	127	144	..
Italy	80	93	105	121	114	113	129	128	151	163
Netherlands	83	105	110	133	112	..	..	..	..	..
Norway	111	119	137	174	141	154	172 •	149 •	168 •	166
Poland	154 [c]	305 [c]	408 [c]	480 [c]	..	..	..	..	..	..
Sweden	167	190	205	220	..	..	..	..	..	..
Switzerland [e]	171	174	158	169	..	..	..	..	..	..
United Kingdom	161	184	189	214	107	111	116	118	129	129
Total of countries listed	93	116	131	152	117	121	128	130	141	146

NOTE. — As far as possible, the indices cover the production of basic chemicals, fertilizers, dyestuffs, industrial vegetable oils, soap and matches, but not the production of rubber and rayon.

[a] The index numbers for the United Kingdom and certain other countries are not adjusted for the changing position of Easter.

[b] Provisional.

[c] 1937 = 100 ; for Poland, 1937 production in pre-war area = 100.

[d] 1936-1938 = 100.

[e] Approximate index, based on exports and man-hours worked.

Table IV

INDEX NUMBERS OF TEXTILE PRODUCTION

Country	*1938 = 100*				*1948 = 100*					
					1949	1950				1951
	1947	1948	1949	1950	Fourth quarter	First quarter	Second quarter	Third quarter [a]	Fourth quarter	First quarter [a] [b]
Austria	31 [c]	51 [c]	77 [c]	94 [c]	179	194	180	170	202	212
Belgium	130	116	120	146	110	118	110	120	143	144
Czechoslovakia [d]	60 [c]	77 [c]	81 [c]	89 [c]	118	122	121	95	130	..
Denmark	108	134	151	172	126	130	137	115	131	136
Finland	97	110	131	146	126	130	132	117	141	145
France	89	102	101	109	103	107	111	93	116	117
Germany : western zones	25	41	75	97	217	224	220	229	277	280
Greece	90	89	100	137	125	125	142	168	178	164
Hungary	68	88	111	..	..	..	..	..	..	..
Ireland	139	152	167	193	128	123	131	120	135	..
Italy	100	96	99	102	103	107	103	96	120	125
Netherlands	87	105	122	136	127	131	129	122	138	142
Norway	124	144	168	180	123	135	130	102	133	147
Poland	86 [c]	114 [c]	133 [c]	150 [c]	..	..	..	..	..	..
Spain	152 [e]	153 [e]	145 [e]	163 [e]	102	99	111	102	104	98
Sweden	121	135	142	139 [d]	104	106 [d]	102 [d]	89 [d]	105 [d]	107 [d]
United Kingdom	81	95	102	112	114	120	117	112	123	120
Total of countries listed	75 [f]	87 [f]	98 [f]	110 [f]	120	125	124	117	137	137

[a] The index numbers for the United Kingdom and certain other countries are not adjusted for the changing position of Easter.

[b] Provisional.

[c] 1937 = 100 ; for Poland, 1937 production in pre-war area = 100.

[d] Including ready-made clothing.

[e] 1940 = 100.

[f] Excluding Spain.

Table V

EMPLOYMENT IN INDUSTRY

Index numbers based on 1938 and 1948

Country	*1938 = 100*				*1948 = 100*					
	1947	1948	1949	1950	1949	1950				1951
					Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter [a]
Austria	121 [b]	139 [b]	154 [b]	163 [b]	115	115	116	118	119	118
Belgium	117 [b]	120 [b]	115 [b]	112 [b]	95	95	95	95	98	100
Czechoslovakia	98 [b]	104 [b]	108 [b]	117 [b]	107	109	112	114	115	116
Denmark [c]	134	141	145	156	105	107	113	108	116	115
Finland	125	129	129	126	101	103	105	83	105	106
France	106	109	111	112	102	102	102	102	103	104
Germany : western zones	89	100	108	114	110	109	111	118	119	121
West Berlin	61	59	51	46	78	73	74	80	85	85
Soviet Zone	98	99	98	107	..	..	..	..	..	..
Hungary	106	111	123	140	..	..	..	..	..	..
Ireland	118	122	125	129	104	105	106	107	109	109
Italy	105	105	104	102	97	96	97	99	97	97
Netherlands	129	145	152	159	106	107	108	110	112	113
Norway	132	143	149	153	105	106	106	107	108	108
Poland	129 [d]	145 [d]	162 [d]	187 [d]	119	122	127	132	137	138
Sweden	130	132	133	134	101	102	102	100	102	102
Switzerland	148	151	142	138	92	91	90	91	94	96
United Kingdom	108	113	115	117	103	103	104	104	105	105
Total of countries listed	103	109	112	116	104	104	105	107	109	109

NOTE. — In general, the indices cover wage and salary earners in manufacturing (excluding building), mining and gas, water and electricity supply. In some instances, indices based on numbers of wage earners only have been linked with indices of wage and salary earners.

[a] Provisional.
[b] 1937 = 100.
[c] Quarterly index numbers for 1950 are based on man-hours worked.
[d] Current employment compared with 1938 employment in pre-war area.

Table VI

PRODUCTION OF COAL [a]

Monthly averages or calendar months — *Millions of tons*

Country	1938	1948	1949	1950	1949	1950				1951			
					Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	January	February	March
Belgium	2.47	2.22	2.32	2.28	2.44	2.43	2.30	2.00	2.37	2.42	2.51	2.12	2.64
Czechoslovakia	1.39 [b]	1.48	1.42	1.54	1.47	1.51	1.43	1.46	1.75	1.57	..	..	..
France	3.88	3.61	4.27	4.24	4.35	4.54	4.11	3.95	4.35	4.51	4.66	4.26	4.60
Saar	1.20	1.05	1.19	1.26	1.25	1.28	1.23	1.22	1.30	1.41	1.46	1.34	1.42
Germany :													
Western zones [c]	11.54	7.37	8.73	9.36	9.24	9.41	8.79	9.40	9.85	10.03	10.29	9.60	10.19
Soviet Zone	0.50	0.24	0.25	0.23	..	..	..	..	..	..	..	..	..
Netherlands	1.12	0.92	0.98	1.02	1.01	1.04	1.00	1.04	1.01	1.06	1.08	0.99	1.12
Poland	5.88 [d]	5.86	6.17	6.50*	6.49	6.56	6.20	6.62	6.62*	6.76	6.84	6.46	6.98
United Kingdom [e]	19.32	17.73	18.22	18.31*	19.11	18.94	18.29	17.15*	18.88*	19.00	19.53	18.44	19.03
Other European countries	1.06	1.60	1.69	1.73	1.72	1.76	1.73	1.68	1.76	1.75	1.75	1.68	1.80
Total Europe (excluding U.S.S.R.)	48.36	42.07	45.23	46.47	47.32	47.70	45.29	44.76	48.12	48.75	50.00	46.61	49.63
Index numbers :													
1938 = 100	*100*	*87*	*94*	*96*	*98*	*99*	*94*	*93*	*100*	*101*	*103*	*96*	*103*
1948 = 100	*115*	*100*	*108*	*110*	*112*	*113*	*108*	*106*	*114*	*116*	*119*	*111*	*118*
United States [f]	29.84	49.64	36.33	42.06	31.54	32.44	45.37	43.44	47.00	43.66	50.03	38.60	42.34

[a] Excluding lignite. [b] 1937. [c] Including production of pitch coal. [d] Post-war boundaries. [e] Including production of opencast coal.
[f] Including a small amount of lignite.

Table VII

PRODUCTION OF ELECTRIC POWER

Monthly averages or calendar months — *Millions of kilowatt-hours*

Country	1938	1948	1949	1950	1949	1950				1951			
					Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	January	February	March
Austria	250 [a]	438	459	525	454	424	534	593	547	531	542	488	564
Belgium [b]	440	659	680	707	729	719	648	649	811	804	845	749	817
Czechoslovakia	343 [a]	626	689	760	758	..	..	..	..	..	..	..	..
Denmark	95	154	160	169	189	172	144	158	204	206	221	197	201
Finland	259	247	296	343	326	342	327	335	368	373	394	360	364
France [c]	1,548	2,297	2,367	2,623	2,584	2,568	2,541	2,416	2,967	3,022	3,150	2,821	3,094
Germany : western zones	2,591	2,718	3,226	3,668	3,604	3,514 ▪	3,279	3,647	4,233 ▪	4,185	4,382	3,934	4,238
Italy	1,295	1,891	1,732	2,083	1,744	1,772	2,102	2,169	2,287	2,195	2,164	2,080	2,340
Netherlands	295	439	499	586	597	552	522	553	677	633	675	588	635
Norway [d]	803	1,037	1,265	1,444	1,424	1,515	1,358	1,296	1,607	1,514	1,616	1,424	1,503
Poland [d]	659 [e]	626	679	794	776	777	705	747	948	917	..	..	..
Spain	229	509	469	583	522	612	595	563	563	568	572	505	628
Sweden	680	1,173	1,346	1,529	1,479	1,553	1,433	1,425	1,705	1,663	1,759	1,587	1,644
Switzerland [f]	446	720	647	760	621	597	766	933	743	726	734	665	780
United Kingdom [g]	2,031	3,877	4,093	4,580	4,685	4,952 ▪	4,102 ▪	3,902 ▪	5,364 ▪	5,612	5,946	5,340	5,550
Other European countries	2,167	2,175	2,496	2,877	2,786	2,917	2,634	2,886	3,070	3,187	3,329	3,013	3,215
Total Europe (excluding U.S.S.R.)	14,131	19,586	21,103	24,031	23,278	23,804	22,429	22,994	26,894	26,992	28,182	25,421	27,368
Index numbers :													
1938 = 100	*100*	*139*	*149*	*170*	*165*	*168*	*159*	*163*	*190*	*191*	*199*	*180*	*194*
1948 = 100	*72*	*100*	*108*	*123*	*119*	*122*	*115*	*117*	*137*	*138*	*144*	*130*	*140*
United States	11,830	28,028	28,711	32,327	29,248	30,777	31,095	32,717	34,719	35,333	36,726	33,102	36,172

a 1937.

b Total production of public utilities and other plants with an installed capacity of more than 100 kilowatts.

c Production of hydro-electric plants with a generating capacity of over 1,000 kilowatts and of thermo-electric plants with a capacity of over 5,000 kilowatts.

d Production of public utilities and other plants with an installed capacity of 1,000 kilowatts and over.

e Post-war boundaries.

f Production of public utilities, plus purchases for the public grid from railroads and industrial establishments.

g Public utility production ; excluding Northern Ireland.

Table VIII

PRODUCTION OF CRUDE STEEL

Monthly averages or calendar months — *Thousands of tons*

Country	1938	1948	1949	1950	1949	1950				1951			
					Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	January	February	March
Belgium	190	326	321	314	286	296	293	283	383	402	397	385	425
Luxembourg	120	204	189	204	149	179	187	215	236	248	246	242	257
France	518	603	760	721	775	665	721	681	817	799	830	749	817
Saar	213	102	146 ▪	158	148	147	130	166	190	207	213	196	213
Germany	1,633 [a]	491	821	1,106	..	..	..	..	..	..	..	..	..
of which western zones	1,492	463	763	1,010	760	949	950	1,072	1,069	1,004	1,044	942	1,025
Soviet Zone	141	28	58	96	..	..	..	..	1,069	..	..	..	..
Italy	194	177	171	197 ▪	179	187	190 ▪	203 ▪	207 ▪	222	216	212	238
Poland	158 [a]	163	192	209	200	207	206	209	215	224	..	..	..
Sweden	81	105	114	120 ▪	128	129	115	106	131	121	119	122	123
United Kingdom	880	1,260	1,318	1,380	1,344	1,412	1,403	1,288	1,414	1,389	1,348	1,430	1,390
Other European countries	403	520	579	653	604	636	659	664	647	689	689	672	709
Total Europe (excluding U.S.S.R.)	4,390	3,951	4,611	5,062	4,642	4,903	4,949	4,987	5,397	5,414	5,437	5,274	5,537
Index numbers :													
1938 = 100	*100*	*90*	*105*	*115*	*106*	*112*	*113*	*114*	*123*	*123*	*124*	*120*	*126*
1948 = 100	*111*	*100*	*117*	*128*	*117*	*124*	*125*	*126*	*137*	*137*	*138*	*133*	*140*
United States	2,400	6,701	5,895	7,310	3,895	6,716	7,528	7,406	7,589	7,765	8,022	7,045	8,229

a Post-war boundaries.

Table IX

PRODUCTION OF CEMENT

Monthly averages — *Thousands of tons*

Country	1938	1948	1949	1950	1949	1950				1951
					Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter
Austria	36 [a]	60	92	107	100	79	115	128	107	95
Belgium	243	278	244	296	269	233	311	320	322	318
Czechoslovakia	106 [a]	138	145	..	146	..	..	..	..	..
Denmark	53	64	70	73	79	59	78	77	77	67
France	296	448	537	601	573	507	619	642	635	587
Germany	1,161 [b]	..	..	..	..	..	..	..	..	..
of which western zones	955	465	705	906	751	583	942	1,123	978	781
Soviet zone	207	..	..	..	..	..	..	..	..	..
Italy	384	262	336	417	363	329	436	469	434	364
Netherlands	38	49	47	49	46	40	49	55	53	50
Norway	28	44	49	49	48	47	51	50	47	48
Poland	254 [b]	152	195	211	193	156	240	233	214	178
Portugal	22	41	43	48	45	36	47	56	52	38
Spain	49	137	141	161	160	161	167	165	152	163
Sweden	83	124	141	162	148	118	174	187	170	130
Turkey	24	28	31	33	38	24	38	37	33	..
United Kingdom	653	722	780	826	776	787	840	865	810	788
Other European countries	290	380	457	530	482	441	548	579	548	510
Total Europe (excluding U.S.S.R.)	3,721	3,462	4,109	4,738	4,317	3,812	4,950	5,281	4,908	4,391
Index numbers :										
1938 = 100	*100*	*93*	*110*	*127*	*116*	*102*	*133*	*142*	*132*	*118*
1948 = 100	*107*	*100*	*119*	*137*	*125*	*110*	*143*	*153*	*142*	*127*
United States	1,497	2,885	2,951	3,166	3,038	2,376	3,262	3,561	3,463	2,868

a 1937. *b* Post-war boundaries.

Table X

PRODUCTION OF MOTOR VEHICLES

Monthly averages *Thousands*

Country	1938	1948	1949	1950	1949	1950				1951
					Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter
PASSENGER CARS										
France	15.20 [a]	8.34	15.64	21.44	19.66	17.52	23.41	19.85	24.98	25.69
Germany : western zones	14.51 [b]	2.50	8.67	18.01	12.23	14.23	16.59	19.02	22.20	22.40
Italy	4.92	3.70	5.45	8.44	7.54	7.25	8.12	8.33	10.06	10.72
United Kingdom	28.42	27.90	34.36	43.54	38.71	43.79	43.71	41.25	45.42	41.06
Total of countries listed	63.05	42.44	64.12	91.43	78.14	82.79	91.83	88.45	102.66	99.87
Index numbers :										
1938 = 100	*100*	*67*	*102*	*145*	*124*	*131*	*146*	*140*	*163*	*158*
1948 = 100	*149*	*100*	*151*	*215*	*184*	*195*	*216*	*208*	*242*	*235*
United States [c]	166.75	325.77	426.62	555.49	387.35	447.60	583.80	631.56	558.99	533.95
COMMERCIAL VEHICLES										
Austria	0.10 [d]	0.08	0.18	0.22	0.25	0.25	0.20	0.21	0.22	0.22
France	3.75 [a]	8.19	8.16	8.36	7.20	6.56	8.61	7.91	10.36	10.39
Germany : western zones	3.56 [b]	2.47	4.79	7.12	5.25	5.02	6.66	8.26	8.55	8.48
Italy	0.85	1.29	1.72	2.21	2.17	2.34	2.32	1.87	2.31	2.45
United Kingdom	8.67	14.44	18.03	21.76	20.45	22.11	22.57	20.28	22.09	22.77
Total of countries listed	16.93	26.47	32.88	39.67	35.32	36.28	40.36	38.53	43.53	44.31
Index numbers :										
1938 = 100	*100*	*156*	*194*	*234*	*209*	*214*	*238*	*228*	*257*	*262*
1948 = 100	*64*	*100*	*124*	*150*	*133*	*137*	*152*	*146*	*164*	*167*
United States [c]	40.68	114.68	94.51	111.43	75.48	94.89	120.48	117.67	109.36	126.11

[a] October 1937-September 1938. [b] 1936. [c] Factory sales. [d] 1937

Table XI

PRODUCTION OF LIVESTOCK PRODUCTS

Commodity and producer country	Monthly average	Index numbers — 1947 = 100								
	1947	1948	1949	1950	1949	1950				1951
					Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter
Meat [a]	*(thousands of tons)*									
Austria [b]	6.2	103	85	..	92	..	..	..	..	..
Belgium	14.2	130	169	190	193	156	199	198	205	176
Czechoslovakia	36.0	61	66	..	89	126	86	..	..	..
Denmark	33.6	71	99▪	126	125	124	123	127▪	132	155
Germany : western zones [c]	40.9	54	138	233	210	207	230	216	281	221
Ireland	11.4	88	91	92	118	97	85	94	91	..
Italy [d]	8.4	138	157	159	212	177	142	132	187	..
Norway	6.8	70	103	153	175	161	148	105	198	133
Portugal [e]	4.1	144	161	149	154	154	154	144	146	141
Sweden [f]	18.8	89	105	115	121	108	118	111	122	115
Switzerland [g]	4.3	95	119	135	139	135▪	133	125▪	147	146
United Kingdom	66.4	102	120	146	164	104	120	171	187	101
Milk [h]	*(thousands of hectolitres)*									
Austria [i]	389	116▪	154	182	164	174	196	188	169	168
Czechoslovakia	1,954	93	108	..	109	103	117	..	..	..
Denmark	3,319	99	119	132	112	110	153	149	115	111
Germany : western zones	6,881▪	101▪	133▪	163	129▪	133▪	184▪	185▪	150	149
Netherlands [j]	2,334	127	153	165	121	125	216	199	120	120
Norway [j]	523	113	135	151	117	139	188	160	117	139
Sweden [j]	2,765	98	108	114	98	104	131	126	96	102
Switzerland [j]	1,061	116	123	130	104	103▪	147▪	155	117	116
United Kingdom [k]	5,492	112	120	130	113	127	153	122	118	120
Butter [l]	*(thousands of tons)*									
Austria [i]	1.0	118	159	136	167	148	130	138	128	107
Czechoslovakia	1.6	119	156	..	156	..	..	..	..	..
Denmark	10.4	97	125	144	120	115	169	163	128	118
Germany : western zones	14.5	100	136	150	122	119	168	175	137	121
Ireland [m]	2.2	110	133	142	111	34	193	248	92	23
Netherlands [n]	4.4	135	160	178	135	122	246	211	132	111
Norway	0.7	112	135	145	72	109	222	176	75	106
Portugal	0.1	125	125	213	138	213	250	213	163	200
Sweden	7.9	94	103	114	93	96	132	134	96	95
Switzerland	1.2	90	98	127	75	81	145	160	119	140
United Kingdom	0.6	125	156	242	72	209	507▪	196	61	91
Cheese [l]	*(thousands of tons)*									
Austria [i]	0.3	116	216	291	197	300	396	278	190	291
Czechoslovakia	1.0	110	118	..	94	..	..	..	..	185
Denmark	3.8	124	134	129	105	108	142	147	118	139
Germany : western zones	6.6	117	189	171	192	138	173	195	180	185
Ireland	0.3	81	104	100	96	15	130	159	93	15
Netherlands [n]	5.4	150	199	197	150	102	248▪	279▪	159	118
Norway	1.0	119▪	179	218	125	199	312	228	133	207
Portugal	0.1	110	130	100	150	100	90	110	100	100
Sweden	4.0	108	137	108	112	108	136	109	80	112
Switzerland	3.0	127	136	143	89	76	178	207	110	64
United Kingdom [n]	1.4	156	200	330	101	306▪	500▪	380▪	137	262

[a] Comprising production of beef, veal, mutton, lamb, pork and goat meat, unless otherwise stated.
[b] Including horse meat. Obligatory deliveries.
[c] Including horse meat and slaughter fat.
[d] Data for communes of more than 50,000 inhabitants.
[e] Inspected slaughter.
[f] Excluding home slaughter.
[g] Data for 43 towns.
[h] Total production of fluid milk.
[i] Market deliveries.
[j] Milk delivered by farmers.
[k] Milk sold through milk marketing schemes.
[l] Creamery and factory production.
[m] Production of co-operative creameries only.
[n] Including farm production.

Table XII

INDEX NUMBERS OF WHOLESALE PRICES

Country	*1938 = 100*		*1948 = 100*												
	1949	1950	1949	1950							1951				
			Sept.	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	May
Austria [a]	418	553	133	159	175	169	173	184	185	187	194	201	206	217	217
Belgium	372	391	93	94	97	102	107	109	110	113	117	121	123	123	122
Denmark	233	262	101	111	112	115	118	120	125	129	134	138	142	146	150
Finland	963	1,110	103	114	117	118	122	126	127	132	146	150	155	159	163
France [b]	1,917	2,076	114	116	119	120	125	127	131	135	138	146	150	158	158
Germany :															
U.K./U.S. Zone [c]	185	183	99	96	97	98	100	101	102	106	111	115	118	120	120
Greece	30,300	31,460	118	115	119	123	123	127	133	136	140	144	148	152	153
Ireland [d]	231	244	98	104	105	105	105	108	110	113	115	116	118	120	..
Italy	5,169	4,905	90	86	86	90	93	95	97	100	104	106	105	105	104
Netherlands [e]	289	322	103	115	115	117	120	122	125	128	136	139	144	145	146
Norway	184	209	102	113	115	119	123	125	126	127	129	134	135	139	143
Portugal	246	243	103	101	101	99	99	99	100	100	102	110	110	110	..
Spain [f]	483	570	108	119	122	128	133	142	146	150	158	159	161	160	..
Sweden	195	205	101	104	105	105	107	107	114	118	124	128 [g]	134	139	141
Switzerland	206	203	94	91	92	95	96	98	100	101	104	106	107	106	107
Turkey	503	452	106	92	90	90	93	96	99	101	104	110	111	..	..
United Kingdom	227	259	105	117	118	120	124	127	132	133	137	139	143	145	146
United States	197	205	93	95	99	101	102	102	104	106	109	111	112	111	111

[a] Yearly averages are based on March 1938 = 100.

[b] From January 1950, new series.

[c] Producers' prices of industrial products ; monthly averages are based on 1949 = 100.

[d] Yearly averages are based on October 1938 = 100.

[e] From 1949, new series.

[f] Yearly averages are based on 1936 = 100.

[g] Provisional.

Table XIII

INDEX NUMBERS OF THE COST OF LIVING

	1938 = 100		*1948 = 100*												
	1949	1950	1949	1950							1951				
			Sept.	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May
Austria	411	465	136	141	142	139	143	153	156	158	162	163	168	165	166
Belgium	342	339	97	94	93	96	100	100	99	98	101	102	104	104	104
Denmark	168	176	101 [a]	..	106	..	..	109	..	..	113	..	..	117	..
Finland	808	921	103	119	119	118	119	122	125	127	131	131	132	133	134
France	1,817	2,020	115	123	..	..	130	..	..	135	137	139	142	144	149
Germany :															
U.K./U.S. Zone [b]	160	151	97	94	93	92	92	93	93	94	95	97	100	101	102
Greece	28,370	30,600	115	119	124	125	126	130	130	131	133	136	142	138	143
Iceland [c]	428	511	103	121	127	128	129	135	140	141	142	144	146	149	151
Ireland	185	187	101 [d]	..	..	101	..	..	103	..	..	104	..	..	110
Italy	4,985	4,854	101	100	100	101	103	102	103	103	105	107	107	110	110
Luxembourg	310	322	111	108	108	110	111	113	113	114	113	115	117	120	120
Netherlands [e] [f]	219	239	105	115	115	116	119	121	121	121	121	123	125	130	130
Norway [g]	159	167	101	105	105	105	108	109	111	112	113	114	115	120	..
Poland	..	..	102	113	115	..	113	113	114	116	114	..	..	..	..
Portugal [h]	213	213	106	101	101	103	102	102	102	103	105	106	105	104	..
Spain [i]	478	529	106	115	115	116	118	120	122	124	126	128	129	128	..
Sweden	157	159	102	102	..	..	103	..	..	105	..	..	115	..	..
Switzerland [g]	162	159	99	97	97	98	98	99	99	99	100	100	100	101	102
Turkey	355	340	108	103	99	98	97	98	99	100	101	103	102	..	..
United Kingdom	185	191	104	105	105	105	105	106	107	107	108	109	110	112	115

Sources : see "Notes to the Statistics".

[a] October 1949.

[b] Monthly index numbers are based on 1949 = 100.

[c] Yearly averages are based on first quarter 1939 = 100.

[d] August 1949.

[e] Yearly averages are based on 1938/39 = 100.

[f] From January 1950, new series.

[g] From March 1950, new series.

[h] Yearly averages are based on July 1938/June 1939 = 100.

[i] Yearly averages are based on July 1936 = 100.

Table XIV

INDEX NUMBERS OF THE VALUE OF RETAIL SALES

Corresponding period of previous year = 100

Country and item		1949	1950				1951
		Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter
Austria	Total	..	..	..	..	..	132
	Food	..	..	..	..	..	121
	Clothing	..	..	..	..	..	160
Belgium	Total [a]	..	110	109	141	108	128
	Textiles	..	103	106	127	100	131
Denmark	Total	105	110	109	117	111	..
	Food	103	108	106	108	107	..
	Clothing	112	116	114	136	117	..
Finland	Total	121	139	138	139	125	140
France	Food [a]	..	129	129	134	126	132
	Textiles [b]	..	..	..	..	..	147
Germany : western zones	Total	..	105	108	117	114	129
	Food	..	101	98	105	103	115
	Clothing	..	125	128	138	122	142
Italy	Total [b]	123	120	112	114	134	164
Netherlands	Total	103	105	109	120	102	122
	Food	101	106	106	113	105	113
	Clothing	118	110	110	142	95	144
Sweden	Food	103	104	104	104	102	108
	Clothing	95	104	97	107	115	106
Switzerland	Total	96	100	99	95	108	114
	Food	98	101	103	111	103	110
	Clothing	93	101	95	110	114	116
United Kingdom	Total	108	109	105	107	107	112
	Food	105	108	106	105	105	107
	Clothing	113	104	98	115	106	122
U.S.S.R.	Total	121	125	130	133	132	122
	Food	123	119	125	130	134	119
	Clothing	..	..	134	141	..	..

Sources : See "Notes to the Statistics".

NOTE. — The index numbers generally refer either to a sample of all retail trade, to co-operatives or to department stores. For the Netherlands and the United Kingdom, the index numbers are derived from estimates of consumers' expenditure.

[a] Sales by co-operative network.

[b] Sales by department stores.

Table XV — BALANCE OF PAYMENTS OF EUROPE AND OTHER AREAS WITH THE UNITED STATES

Millions of current dollars

Item	Year and quarter	Europe			European dependent overseas territories [a]	Overseas sterling area [b]	Canada	Latin-American republics	Other overseas countries [c]	International institutions	TOTAL WORLD
		United Kingdom	Other European countries	Total Europe							
A. Goods and services (total)	1950 - I	− 44	−466	−510	− 3	+ 44	− 63	− 6	−163	− 26	−727
	IV	+ 10	−482	−472	+12	+160	−117	−234	+ 21	− 3	−633
	1951 - I	− 24	−539	−563	+22	+200	−182	+ 37	− 85	+ 1	−570
Exports to the United States	1950 - I	+ 63	+239	+ 302	+58	+269	+405	+ 718	+208	−	+1,960
	IV	+118	+396	+ 514	+84	+386	+570	+ 814	+440	+ 7	+2,815
	1951 - I	+117	+482	+ 599	+85	+470	+538	+1,062	+433	+ 12	+3,199
Imports from the United States	1950 - I	−129	−727	− 856	−58	−195	−396	− 600	−330	− 4	−2,439
	IV	−158	−918	−1,076	−58	−179	−593	− 790	−410	−	−3,106
	1951 - I	−162	−985	−1,147	−58	−220	−636	− 853	−494	−	−3,408
Services (net	1950 - I	+ 22	+ 22	+ 44	− 3	− 30	− 72	− 124	− 41	− 22	− 248
	IV	+ 50	+ 40	+ 90	−14	− 47	− 94	− 258	− 9	− 10	− 342
	1951 - I	+ 21	− 36	− 15	− 5	− 50	− 84	− 172	− 24	− 11	− 361
B. Private donations and capital movements (total)	1950 - I	+ 15	+ 45	+ 60	− 1	+ 31	+ 2	− 77	+ 55	− 20	+ 50
	IV	− 4	+ 11	+ 7	+ 8	+ 28	−241	+118	+ 75	− 31	− 36
	1951 - I	+ 29	+ 21	+ 50	+ 5	+ 22	+ 78	+ 70	+ 73	− 29	+269
Private donations	1950 - I	+ 6	+ 75	+ 81	−	+ 5	+ 2	+ 4	+ 29	+ 2	+ 123
	IV	+ 12	+ 75	+ 87	−	+ 4	+ 3	+ 8	+ 23	+ 2	+ 127
	1951 - I	+ 6	+ 49	+ 55	−	+ 4	+ 4	+ 10	+ 37	−	+ 110
Private United States capital	1950 - I	+ 9	− 24	− 15	− 1	+ 26	+ 85	− 80	+ 27	+ 1	+ 43
	IV	+ 25	+ 24	+ 49	+ 7	+ 26	− 6	+ 129	+ 51	+ 2	+ 258
	1951 - I	+ 8	+ 12	+ 20	+ 5	+ 19	+ 44	+ 61	+ 37	+ 50	+ 236
Foreign long-term capital [d]	1950 - I	−	− 6	− 6	−	−	− 85	− 1	− 1	− 23	− 116
	IV	− 41	− 88	− 129	+ 1	− 2	−238	− 19	+ 1	− 35	− 421
	1951 - I	+ 15	− 40	− 25	−	− 1	+ 30	− 1	− 1	− 79	− 77
C Surplus or deficit on goods and services, private donations and capital (A + B)	1950 - I	− 29	−421	−450	− 4	+ 75	− 61	− 83	−108	− 46	−677
	IV	+ 6	−471	−465	+20	+188	−358	−116	+ 96	− 34	−669
	1951 - I	+ 5	−518	−513	+27	+222	−104	+107	− 12	− 28	−301
D. Official financing (total)	1950 - I	+ 28	+569	+597	− 7	− 5	+ 20	+ 12	+110	+ 39	+766
	IV	−215	+693	+478	−29	− 44	+316	−114	+ 44	− 72	+579
	1951 - I	−316	+660	+344	− 2	+ 20	+ 48	−221	+ 90	+106	+385
United States Government grants and credits	1950 - I	+200	+672	+ 872	+ 1	+ 3	+ 2	+ 5	+187	+ 35	+1,105
	IV	+104	+733	+ 837	−	+ 2	+ 3	+ 10	+246	+ 18	+1,116
	1951 - I	+ 76	+752	+ 828	+ 1	+ 5	+ 1	+ 53	+191	+ 18	+1,097
Foreign short-term balances in the United States [d]	1950 - I	− 92	− 55	− 147	− 7	− 10	+ 17	+ 42	− 43	+ 12	− 136
	IV	+ 41	+142	+ 193	−25	− 22	+416	− 51	−202	− 75	+ 234
	1951 - I	+ 14	+ 95	+ 109	+ 7	+ 14	+ 46	− 39	− 58	+102	+ 181
Monetary gold	1950 - I	− 80	− 48	− 128	− 1	+ 2	+ 1	− 35	− 34	− 8	− 203
	IV	−360	−192	− 552	− 4	− 24	−103	− 73	−	− 15	− 771
	1951 - I	−406	−187	− 593	−10	+ 1	+ 1	− 235	− 43	− 14	− 893
E. Errors, omissions and multilateral settlements	1950 - I	+ 1	−148	−147	+11	− 70	+ 41	+ 71	− 2	+ 7	− 89
	IV	+209	−222	− 13	+ 9	−144	+ 42	+230	−140	+106	+ 90
	1951 - I	+311	−142	+169	−25	−242	+ 56	+114	− 78	− 78	− 84

Sources: Rearranged from *Survey of Current Business*, United States Department of Commerce, June 1951.

NOTE. — The signs are reversed as compared with the original sources in order to present the data from the standpoint of Europe and other areas specified rather than from that of the United States. Figures for 1950 have been revised; those for the first quarter of 1951 are provisional. For further details, particularly on the inclusion of "special category" goods and shipments under the Mutual Defense Assistance Program, see "Notes to the Statistics".

a Excluding those of the United Kingdom and Spain.
b Including the dependent overseas territories of the United Kingdom.
c Including the dependent overseas territories of Spain.
d Official and private.

Figures for 1950 have been revised ; those for the first quarter of 1951 are provisional. For further

d Official and private.

Table XVI

INDEX NUMBERS OF THE VOLUME OF IMPORTS AND EXPORTS OF EUROPEAN COUNTRIES

1949 = 100

Country	Imports									Exports								
	1949 (millions of dollars, c.i.f.)	1949				1950				1951	*1949 (millions of dollars, f.o.b.)*	1949				1950				1951
		1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	1st qtr.		1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	1st qtr.
United Kingdom	*8,337*	93	101	104	102	98	108	98	98	105	*6,556*	103	97	95	105	113	110	115	125	114
Ireland	*471*	96	100	95	109	111	115	103	122	117	*215*	87	93	105	116	94	97	131	129	112
France	*3,252*	102	106	94	99	112	107	89	106	110	*2,698*	96	102	91	112	116	123	121	174	165
Netherlands	*1,839*	101	99	95	105	123	137	130	137	145	*1,291*	87	86	99	128	111	120	145	165	153
Belgium	*1,800*	96	98	96	110	107	105	102	129	130	*1,757*	103	106	99	92	110	102	88	130	132
Switzerland	*881*	102	94	90	114	100	107	135	155	157	*803*	90	96	99	114	92	100	115	150	127
Italy	*1,491*	102	116	101	81	109	111	105	104	115	*1,094*	95	93	103	108	107	116	128	145	137
Turkey	*299*	88	85	108	119	91	120	125	132	110	*247*	105	98	52	145	94	79	78	140	122
Denmark	*803*	102	105	92	101	126	116	125	136	129	*663*	89	98	93	121	110	121	136	152	145
Sweden	*1,103*	99	96	99	106	110	124	130	142	149	*1,074*	78	98	104	120	111	125	127	142	106
Norway	*771*	93	106	94	106	113	110	86	105	111	*395*	108	103	87	103	131	127	133	137	145
Finland [a]	*409*	83	98	99	119	99	118	97	110	94	*399*	59	85	116	141	74	128	140	99	89
Germany : western zones [b]	*2,238*	77	104	95	123	121	104	135	168	141	*1,125*	82	92	101	126	161	190	227	291	281
Austria [c]	*410*	82	97	103	117	105	100	86	107	111	*297*	101	106	93	101	118	138	144	198	172
Poland	*633*	81	93	103	123	130	133	113	151	..	*679*	92	92	101	115	101	105	119	122	..
Spain	*457*	107	103	102	87	87	120	120	83	..	*384*	105	103	80	112	123	137	116	163	..
Total of countries listed [d]	*25,194*	95	102	99	105	108	112	107	118	120	*19,677*	96	97	96	111	113	118	125	150	139

[a] For comparability with other countries, the seasonal adjustment in the Finnish index has been eliminated.

[b] A special index has been computed for the three western zones of Germany.

[c] Excluding non-commercial imports.

[d] The totals are based on data for the countries listed in the table. Although it covers 87 per cent of the total trade of Europe in 1949, this sample is not quite representative for Europe as a whole since the volume of trade compared with 1949 for the countries not included in the sample is different from that of the countries included.

Table XVII

IMPORTS AND EXPORTS OF TEN EUROPEAN COUNTRIES ACCORDING TO AREAS OF ORIGIN AND DESTINATION

Millions of dollars in current prices ; imports c.i.f. ; exports f.o.b.

Area of origin for imports and area of destination for exports ↓	Year and quarter	United Kingdom		France		Netherlands		Belgium-Luxembourg		Switzerland		Italy		Denmark		Sweden		Norway		Germany : western zones [a]		Total of ten countries	
		Imports [b]	Exports	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imp.	Exp.	Imports	Exports
I. United Kingdom, Ireland and Iceland	1949—IV	49.9	60.0	30.9	57.2	37.7	45.1	41.4	28.0	17.6	10.8	15.2	27.9	59.4	62.3	43.9	40.1	37.2	12.4	18.0	24.0	351.2	367.8
	1950— I	39.3	66.2	27.8	62.5	47.0	44.4	42.7	25.3	20.6	7.9	22.8	27.1	73.1*	57.3	47.0	32.4	51.0	18.3	23.2	20.0	394.5*	361.4
	II	40.0	60.2	30.7	68.6	55.2	48.0	46.5	31.1	19.7	7.3	20.2	34.0	61.4*	78.7	59.8	42.9	35.8	18.3	21.4	19.9	390.7*	409.0
	III	47.9	59.2	25.3	67.0	50.7	59.3	42.6	30.6	21.2	8.9	19.8	42.2	67.7	73.7	60.5	40.0	31.2	16.0	28.3	24.0	395.2	420.9
	IV	56.9	64.1	31.7	89.9	58.9	62.3	58.3	49.2	25.4	9.9	19.0	35.4	72.4	72.0	71.1	51.4	33.2	19.7	49.2	28.0	476.1	481.9
	1951— I	45.1	66.5	40.6	96.8	61.0	76.5	55.7	59.2	27.5	9.8	19.6	40.2	70.4	79.1	67.1	48.1	47.0	27.8	38.1	33.8	472.1	537.8
II. Western European industrial countries (France, Netherlands, Belgium - Luxembourg, Switzerland)	1949—IV	139.7	111.0	74.2	87.1	99.8	85.5	115.4	114.2	46.8	42.9	37.7	54.9	19.2	23.8	39.0	40.2	25.5	9.8	113.4c	99.6	710.7	669.0
	1950— I	151.6	139.4	85.0	93.7	121.3	70.3	109.4	149.6	39.5	41.5	49.9	56.8	33.2*	16.8	39.0	33.0	27.4	12.1	147.6	147.9	803.9*	761.1
	II	169.6	128.6	73.8	97.8	122.9	61.3	107.1	143.0	40.4	42.9	46.9	56.4	33.8*	11.3	46.0	38.6	26.1	10.5	137.1	169.1	803.7*	759.5
	III	179.4	135.7	54.3	110.1	114.7	68.9	115.8	125.9	63.5	42.2	35.2	52.3	34.9	11.3	44.5	40.3	17.9	10.0	181.0	187.2	841.2	783.9
	IV	205.8	147.7	78.0	157.9	147.2	89.7	152.4	166.2	75.0	48.6	50.1	64.5	31.9	12.8	58.9	60.3	23.1	16.1	216.9	230.0	1039.3	993.8
	1951— I	254.5	168.6	76.5	156.7	164.0	101.1	163.0	188.6	79.8	43.7	70.0	68.0	36.4	16.3	65.5	48.2	28.9	16.9	209.5	236.4	1148.1	1044.5
III. Mediterranean and Iberian countries (Italy, Greece, Spain, Portugal, Turkey and miscellaneous continental and non-continental European countries and territories)	1949—IV	72.6	55.6	41.4	28.2	8.7	12.9	13.0	21.9	21.2	25.4	3.1	8.3	9.5	4.6	13.0	14.2	6.5	5.0	44.3	27.1	233.3	203.2
	1950— I	71.1	62.6	47.8	30.6	12.0	12.6	14.1	30.2	19.5	25.9	4.6	7.1	12.6	6.3	16.8	11.7	6.8	5.6	46.3	40.7	251.6	233.3
	II	68.1	63.5	44.6	43.3	10.0	12.8	16.4	31.4	23.0	32.9	6.5	12.2	8.6	5.7	11.7	12.7	6.3	5.8	29.1	57.8	224.3	278.1
	III	70.2	62.9	25.9	36.7	8.4	11.0	13.0	20.6	24.9	42.6	6.8	14.9	7.7	4.8	9.7	12.8	4.6	8.5	38.0	64.7	209.2	279.5
	IV	83.7	62.3	43.7	48.5	12.3	15.6	18.0	32.8	26.9	49.8	9.2	16.8	9.2	6.4	16.9	17.7	5.1	9.0	91.0	71.4	316.0	330.3
	1951— I	101.2	65.7	48.4	55.9	18.0	15.2	20.9	33.1	29.6	30.3	9.5	19.6	11.4	9.1	21.9	13.6	6.3	8.7	90.4	73.7	357.6	324.9
IV. Scandinavian countries (Denmark, Sweden, Norway, Finland)	1949—IV	148.0	132.8	35.5	33.6	32.1	31.5	23.4	30.8	11.3	7.0	10.2	13.7	23.1	25.8	22.9	40.3	33.3	13.6	45.8	25.0	385.6	354.1
	1950— I	135.4	151.4	32.9	43.6	26.2	26.0	17.0	25.1	7.8	8.2	16.5	19.5	21.8	18.3	15.1	42.7	31.4	14.9	75.9	39.4	380.0	389.1
	II	177.4	152.6	23.6	50.3	27.8	26.8	18.9	23.5	6.3	7.6	14.4	17.0	31.5	15.2	19.5	48.6	33.6	16.8	59.8	48.1	412.8	406.5
	III	172.2	144.0	23.2	37.3	39.3	33.6	17.8	16.8	10.0	8.9	12.5	10.2	38.6	19.7	24.6	41.3	26.5	15.5	99.1	72.0	463.8	399.3
	IV	163.6	157.8	30.0	53.8	35.9	36.8	28.5	32.4	11.2	12.2	15.9	19.0	35.2	33.4	30.1	53.9	38.4	16.7	106.4	94.6	495.2	510.6
	1951— I	200.9	164.7	36.6	55.9	36.3	40.9	25.9	42.7	10.8	14.5	17.9	22.0	29.8	22.6	23.1	40.3	33.8	19.5	101.5	95.9	516.6	519.0
V. Germany and Austria	1949—IV	26.1	27.6	54.0	35.5	26.0	59.9	28.6	33.7	23.7	34.9	24.5	36.6	10.5	24.7	18.6	26.9	6.6	5.6	3.0	17.2	221.6	302.6
	1950— I	28.7	34.2	54.0	47.7	49.9	66.7	34.6	33.4	20.9	23.3	34.9	29.4	14.6	25.9	28.0	32.5	9.7	9.3	6.2	18.1	281.5	320.5
	II	32.6	29.0	50.7	48.8	76.4	72.2	37.5	22.4	27.0	18.8	44.4	29.3	18.6	21.7	28.3	32.6	8.2	10.1	8.5	15.9	332.2	300.8
	III	35.0	35.0	48.4	70.7	71.9	74.7	41.5	31.0	37.5	26.5	38.4	36.8	33.5	38.0	38.3	44.6	7.0	18.8	11.0	18.0	362.5	394.1
	IV	30.9	46.9	56.6	87.6	79.5	98.8	53.6	44.1	44.6	34.5	42.7	51.5	31.6	43.5	47.4	41.7	9.7	11.9	16.6	22.1	413.2	482.6
	1951— I	40.1	43.9	51.9	81.8	81.7	69.1	57.1	56.7	49.5	31.6	45.6	46.0	30.7	39.1	56.4	39.8	12.8	14.5	14.7	27.6	440.5	450.1
VI. Eastern European countries (Czechoslovakia, Poland, Rumania, Hungary, Yugoslavia, Bulgaria)	1949—IV	27.3	18.1	18.7	13.8	16.0	8.6	8.0	10.7	12.0	18.3	11.1	16.1	5.9	2.6	18.5	12.2	7.6	3.7	34.0	24.4	159.1	128.5
	1950— I	32.6	14.4	13.0	12.8	12.8	7.0	6.9	11.2	11.3	11.6	15.0	15.9	12.6	5.4	16.8	13.0	7.3	4.6	19.3	25.6	147.6	121.5
	II	26.9	12.0	7.4	10.3	10.8	9.0	7.5	10.5	10.0	12.3	14.4	15.2	6.2	2.6	14.0	13.2	3.9	4.0	17.1	31.9	118.2	121.0
	III	25.8	16.0	4.7	8.4	7.7	6.8	5.3	10.6	11.5	14.9	11.8	12.3	9.5	4.1	18.9	13.8	4.0	2.8	23.6	27.1	122.8	116.8
	IV	27.6	13.9	7.5	6.0	12.4	9.9	9.5	8.8	12.9	20.7	15 1	14.2	7.8	3.0	18.3	16.3	7.0	2.4	32.0	27.6	150.1	122.8
	1951— I	29.4	14.9	12.9	9.9	11.6	10.5	6.8	14.3	13.1	13.3	16.7	16.2	12.1	5.7	22.4	11.0	4.4	3.5	14.8	28.9	144.2	128.2
VII. Union of Soviet Socialist Republics	1949—IV	29.1	4.4	0.5	—	2.0	0.3	1.1	4.9	0.6	1.4	8.0	8.1	0.3	1.9	0.8	4.5	5.3	6.2	—	—	47.7	31.7
	1950— I	19.9	12.2	1.0	0.1	1.0	0.1	2.0	3.6	0.5	0.7	5.2	6.5	0.8	—	0.3	3.7	1.7	2.0	0.1	—	32.5	28.9
	II	22.4	5.5	1.6	0.9	1.2	—	1.7	6.1	0.3	0.8	1.8	6.2	0.7	0.1	0.8	4.7	3.2	2.2	—	—	33.7	26.5
	III	26.4	7.3	0.7	0.9	0.1	—	2.3	5.4	0.7	1.2	1.4	2.0	0.9	0.4	2.4	7.2	2.4	1.1	—	—	37.3	25.5
	IV	27.1	7.5	1.6	0.7	—	0.4	4.9	5.5	0.7	1.3	5.2	5.1	1.4	0.7	2.4	6.3	3.0	2.8	—	—	46.3	30.3
	1951— I	35.9	3.3	1.8	0.2	3.6	0.6	4.7	2.8	1.6	1.3	9.4	5.2	2.9	—	3.4	5.6	2.6	2.5	0.2	—	66.1	21.5

VIII. Total Europe (including U.S.S.R.)	1949—IV	492.7	409.5	255.2	255.4	222.3	243.8	230.9	244.2	133.2	140.7	109.8	165.6	127.9	145.7	156.7	178.4	122.0	56.3	258.5	217.3	2,109.2	2,056.9
	1950— I	478.6	480.4	261.5	291.0	270.2	227.1	226.7	278.4	120.1	119.1	148.9	162.3	168.7[a]	130.0	163.0	169.0	135.3	66.8	318.6	291.7	2,291.6[a]	2,215.8
	II	537.0	451.4	232.4	320.0	304.3	230.1	235.6	268.0	126.7	122.6	148.6	170.3	160.8[a]	135.3	180.1[a]	193.3	117.1	67.7	273.0	342.7	2,315.6[a]	2,301.4
	III	556.9	460.1	182.5	331.1	292.8	254.3	238.3	240.9	169.3	145.2	125.9	170.7	192.8	152.0	198.9	200.0	93.6	72.7	381.0	393.0	2,432.0	2,420.0
	IV	595.6	500.2	249.1	444.4	346.2	313.5	325.2	339.0	196.7	177.0	157.2	206.5	189.5	171.8	245.1	247.6	119.5	78.6	512.1	473.7	2,936.2	2,952.3
	1951— I	707.1	527.6	268.7	457.2	376.2	313.9	334.1	397.4	211.9	144.5	188.7	217.2	193.7	171.9	259.8	206.6	135.8	93.4	469.2	496.3	3,145.2	3,026.0
IX. United States and dependencies	1949—IV	164.5	56.3	89.5	15.6	61.2	6.9	75.5	23.0	37.6	30.8	73.6	12.2	21.6	2.5	21.7	21.0	17.3	7.5	200.7	11.7	763.2	187.5
	1950— I	149.4	56.8	105.9	15.9	65.3	6.6	71.2	31.3	30.8	23.7	106.9	12.7	26.3[a]	2.3	23.8	13.8	20.1	9.7	119.4	12.4	719.1[a]	185.2
	II	142.6	61.3	96.4	20.2	69.7	10.5	80.2	28.6	33.4	23.2	88.5	12.6	17.2[a]	2.2	28.1	14.8	23.3	7.1	91.3	13.9	670.7[a]	194.4
	III	122.1	91.7	81.4	29.6	58.0	21.6	73.3	29.8	35.1	31.5	92.1	22.5	23.2	3.3	23.2	15.5	20.7	11.0	101.9	27.7	631.0	284.2
	IV	178.4	107.7	94.2	59.6	44.4	22.1	81.5	51.7	46.5	41.1	45.6	28.5	18.8	4.5	28.6	22.5	18.3	10.6	118.2	49.0	674.5	397.3
	1951— I	191.1	93.9	109.4	67.7	62.1	23.4	98.0	62.3	51.8	33.3	70.2	26.1	18.6	4.1	31.5	19.3	19.9	13.2	131.1	48.4	783.7	391.7
X. Canada and Newfoundland	1949—IV	190.4	60.0	3.7	2.7	2.4	0.4	15.0	3.9	14.3	3.9	1.7	1.2	0.2	0.3	2.5	0.8	7.1	0.3	4.6	1.1	241.9	74.6
	1950— I	119.9	71.7	5.1	2.0	1.3	0.7	8.7	3.9	5.1	3.0	1.1	1.2	0.3	0.2	0.4	0.8	2.2	0.2	2.8	1.1	146.9	84.8
	II	125.2	85.7	8.4	2.7	2.8	1.1	9.6	4.7	5.1	3.7	1.6	1.3	0.1	0.2	1.3	1.1	2.6	0.4	1.4	2.2	158.1	103.1
	III	124.7	91.8	4.7	3.8	2.8	1.9	16.8	4.4	10.7	4.4	0.8	1.6	0.1	0.3	0.9	1.2	3.9	0.4	1.8	3.0	167.2	112.8
	IV	132.3	103.2	4.4	5.1	1.8	2.0	23.7	8.3	10.1	4.6	3.6	2.2	—	0.5	1.2	1.7	3.6	0.3	4.1	3.4	184.8	131.3
	1951— I	115.6	79.7	6.1	3.9	1.8	1.4	13.6	5.8	8.6	3.7	5.0	2.2	0.3	0.3	1.0	1.5	5.6	0.3	3.4	4.0	161.0	102.8
XI. Latin American republics	1949—IV	136.5	105.8	47.4	74.2	24.6	11.3	34.1	34.0	16.7	23.0	26.1	42.2	3.1	3.0	14.0	20.5	3.3	3.1	42.1	10.7	347.9	327.8
	1950— I	133.8	98.8	64.3	69.0	28.0	7.6	36.9	26.7	17.2	18.2	38.8	38.0	3.5	3.3	19.5	21.3	4.6	3.8	26.2	19.5	372.8	306.2
	II	193.1	104.5	58.5	36.5	32.7	9.6	28.6	23.0	21.2	24.1	41.3	32.9	4.3	4.0	27.5	21.8	8.1	6.2	48.8	25.2	464.1	287.8
	III	206.4	101.2	53.2	35.0	31.7	17.4	32.2	20.8	25.1	25.8	38.4	29.0	5.7	4.7	27.1	27.3	7.2	6.0	44.4	37.4	471.4	304.6
	IV	167.6	121.5	71.6	61.2	38.9	19.6	43.7	41.4	37.9	30.1	39.5	31.7	10.9	6.4	24.0	33.1	11.0	7.3	65.6	71.5	510.7	423.8
	1951— I	136.0	103.0	65.1	60.7	37.2	14.9	45.5	38.0	27.3	26.3	43.6	35.2	8.6	4.8	28.3	29.7	5.6	9.5	58.7	69.5	455.9	391.6
XII. Overseas sterling area (including British colonies)	1949—IV	540.4	563.0	88.8	14.0	22.3	12.7	29.6	17.3	7.7	9.1	26.1	17.7	3.2	1.7	9.7	12.9	3.6	5.9	40.6	13.2	772.0	667.5
	1950— I	619.6	610.0	112.2	17.1	36.6	14.7	39.3	15.9	12.6	6.8	30.2	22.4	3.3	1.9	14.2	13.1	8.1	6.2	65.6	16.8	941.7	724.9
	II	640.4	604.9	102.3	23.0	50.8	17.9	41.3	17.2	5.6	6.3	31.3	33.9	4.3	2.8	17.4	17.1	7.9	5.0	67.6	18.7	968.9	746.8
	III	592.8	640.8	107.5	22.7	44.8	20.1	31.8	11.3	18.3	6.4	39.3	45.2	3.4	3.3	21.2	17.5	5.3	5.5	66.5	27.2	930.9	800.0
	IV	678.2	716.0	145.8	38.5	50.1	27.7	60.8	27.1	21.1	13.8	53.3	55.0	2.6	4.1	20.1	21.6	6.2	7.7	116.3	49.7	1,154.5	961.2
	1951— I	936.2	685.0	217.8	41.9	49.1	27.8	72.4	38.3	17.2	16.1	82.7	55.6	5.3	4.4	34.5	22.0	10.0	9.9	131.6	51.8	1,556.8	952.8
XIII. Dependent overseas territories (excluding British colonies)	1949—IV	76.5	26.7	206.2	248.2	36.3	27.9	42.4	22.6	7.3	4.2	13.1	4.5	0.7	2.9	12.8	3.0	5.5	0.6	29.7	3.3	430.5	343.9
	1950— I	83.2	31.2	192.5	255.2	41.1	28.2	40.2	27.6	5.8	4.1	12.8	6.3	3.4	1.9	10.4	3.1	7.2	0.5	40.1	4.2	436.7	362.3
	II	86.3	28.8	218.3	266.5	47.7	29.7	43.5	23.7	8.6	5.8	12.8	5.2	1.6	2.8	14.4	3.3	8.5	0.4	33.5	5.0	475.2	371.2
	III	64.4	31.0	186.7	237.8	53.6	28.3	42.8	15.1	8.9	6.0	13.4	7.0	2.1	3.0	13.1	4.2	7.4	0.6	52.5	8.1	444.9	341.1
	IV	76.2	32.4	238.7	358.2	61.4	36.2	60.8	29.5	9.5	8.3	13.5	9.8	1.6	2.6	16.4	4.2	4.9	0.7	61.8	12.8	544.8	494.7
	1951— I	105.0	31.4	236.7	341.6	84.1	38.5	71.3	34.0	12.5	7.0	20.3	8.3	1.0	3.1	18.7	4.2	7.2	0.7	50.0	13.3	606.8	482.1
XIV. Other overseas countries	1949—IV	49.5	80.6	29.2	19.3	5.6	6.4	9.2	12.3	11.5	11.3	22.7	14.6	3.8	2.0	12.6	8.7	4.1	4.3	25.9	5.9	174.1	165.4
	1950— I	96.6	84.7	52.4	23.5	13.0	10.9	11.7	17.1	10.9	10.2	31.8	15.5	5.5	2.9	13.3	8.0	6.5	4.2	19.6	10.9	261.3	187.9
	II	128.2	76.6	57.3	28.0	24.6	12.7	12.9	16.2	10.7	10.0	28.8	18.9	4.7	2.4	14.6	8.9	7.9	2.4	12.8	14.2	302.5	190.3
	III	85.0	94.0	38.4	24.0	25.3	12.9	13.3	15.1	20.3	12.4	37.5	24.3	4.4	3.5	15.0	9.0	7.0	3.4	21.8	19.1	268.0	217.7
	IV	111.9	96.4	41.5	37.4	27.9	17.9	18.9	27.4	27.8	18.8	51.1	21.3	7.1	4.0	16.4	8.3	6.5	4.1	35.2	26.7	344.3	262.3
	1951— I	170.3	92.1	79.3	45.7	35.4	19.6	29.7	35.7	26.5	15.3	51.7	18.8	9.2	3.8	19.8	8.6	8.2	3.4	41.7	24.5	471.8	267.5
XV. Total overseas countries	1949—IV	1,157.8	892.4	464.8	374.0	152.4	65.6	205.8	113.1[a]	95.1	82.3	163.3	92.4	32.6	12.4	73.3	66.9	40.9	21.7	343.6	45.9	2,729.6	1,766.7
	1950— I	1,202.5	953.2	532.4	382.7	185.3	68.7	208.0	122.5	82.4	66.0	221.6	96.1	42.3[a]	12.5	81.6	60.1	48.7	24.6	273.7	64.9	2,878.5[a]	1,851.3
	II	1,315.8	961.8	541.2	376.9	228.3	81.5	216.1	113.4	84.6	73.1	204.3	104.8	32.2[a]	14.4	103.3	67.0	58.3	21.5	255.4	79.2	3,039.5[a]	1,893.6
	III	1,195.4	1,050.5	471.9	352.9	216.2	102.2	210.2	96.5	118.4	86.5	221.5	129.6	38.9	18.1	100.5	74.7	51.5	26.9	288.9	122.5	2,913.4	2,060.4
	IV	1,344.6	1,177.2	596.2	560.0	224.5	125.5	289.4	185.4	152.9	116.7	206.6	148.5	41.0	22.1	106.7	91.4	50.5	30.7	401.2	213.1	3,413.6	2,670.6
	1951— I	1,654.2	1,085.1	714.4	561.5	269.7	125.6	330.5	214.1	143.9	101.7	273.5	146.2	43.0	20.5	133.8	85.3	56.5	37.0	416.5	211.5	4,036.0	2,588.5
XVI. TOTAL WORLD	1949—IV	1,650.5	1,301.9	720.0	629.4	374.7	309.4	436.7	357.3	228.3	223.0	273.1	258.0	160.5	158.1	230.0	245.3	162.9	78.0	602.1	263.2	4,838.8	3,823.6
	1950— I	1,681.1	1,433.6	793.9	673.7	455.5	295.8	434.7	400.9	202.5	185.1	370.5	258.4	211.0[a]	142.5	244.6	229.1	184.0	91.4	592.3	356.6	5,170.1[a]	4,067.1
	II	1,852.8	1,413.2	773.6	696.9	532.6	311.6	451.7	381.4	211.3	195.7	352.9	275.1	193.0[a]	149.7	283.4	260.3	175.4	89.2	528.4	421.9	5,355.1[a]	4,195.0
	III	1,752.3	1,510.6	654.4	684.0	509.0	356.5	448.5	337.4	287.7	231.7	347.4	300.3	231.7	170.1	299.4	274.7	145.1	99.6	669.9	515.5	5,345.4	4,480.4
	IV	1,940.2	1,677.4	845.3	1,004.4	570.7	439.0	614.6	524.4	349.6	293.7	363.8	355.0	230.5	193.9	351.8	339.0	170.0	109.3	913.3	686.8	6,349.8	5,622.9
	1951— I	2,361.3	1,612.7	983.1	1,018.7	645.9	439.5	664.6	611.5	355.8	246.2	462.2	363.4	236.7	192.4	393.6	291.9	192.3	130.4	885.7	707.8	7,181.2	5,614.5

a The figures for 1950 and 1951 refer to the three western zones; the figures for 1949 refer to the U.K./U.S. Zone only.

b General imports.

c Including imports from Belgium of railway materials and repaired railway vehicles, which had not been included in German statistics prior to the third quarter 1949.

Table XVIII

IMPORTS AND EXPORTS OF FOOD AND FEEDING-STUFFS

Thousands of tons

NOTE. — Data cover imports from all sources and exports to all destinations, both European and non-European, by the countries listed in footnote (*b*) below. Except as there indicated, trade of eastern European countries is not included because of the lack of data on a sufficiently regular and detailed basis. Figures for 1938 are shown both for Europe as a whole (including the U.S.S.R. and the Baltic States) and, to provide comparability, for the countries covered by the post-war figures.

Commodity group *a*	TOTAL EUROPE	NINETEEN EUROPEAN COUNTRIES *b*									
	1938	1938	1948	1949				1950				1951
	Quarterly average	Quarterly average	Quarterly average	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter
Bread grain												
European imports	3,381	3,337	4,617	3,498•	4,764•	4,216•	3,879•	2,888•	3,295•	3,114•	3,150	3,090
of which United Kingdom		1,413	1,333	1,274	1,636	1,408	1,293	813	1,142	793	1,110	851
Germany *b*		349	952	446	692	941	1,231	607	327	417	599	620
Italy		85	608	596	815	385	186	299	264	274	276	251
Belgium-Luxembourg		311	234	142	196	327	99	116	173	261	186	302
European exports	1,125	273	96	418	117	49	199	372	348	377	281	451
Coarse grain												
European imports	3,060	3,054	1,908	2,633•	1,990•	1,704•	2,299•	2,661•	2,197•	1,488•	1,684	2,346
of which United Kingdom		1,038	629	581	269	146	321	537	819	387	184	754
Germany *b*		640	229	504	538	484	681	429	88	189	387	359
Belgium-Luxembourg		284	153	255	163	196	271	319	219	147	239	219
France *b*		199	148	366	295	114	197	372	223	110	114	177
European exports	582	127	103	109	47	29	65	106•	81•	60	94	61
Sugar (raw equivalent)												
European imports	1,166	1,155	1,152	770	1,145	1,259	1,114•	845	1,355•	1,610•	1,359	964
of which United Kingdom		761	590	448	776	737	644	492	670	820	749	504
Germany *b*		4	138	22	30	104	116	42	126	271	174	111
Netherlands		50	60	45	58	121	28	22	133	107	26	50
France *b*		80	82	58	55	40	116•	96	121	56	67	54
European exports	363	332	364	317	323	266	643	462	383	470	706	694
of which United Kingdom		115	166	147	135	140	215	182	161	266	235	228
Meat												
European imports	530	530	354	275	350	424	416•	485	420	407•	363	340
of which United Kingdom		421	273	206	283	335	326	402	340	310	219	214
European exports	201	138	51	60	66	82	130	118	116	146	156	166
of which Denmark		62	18	24	29	35	68	61	55	74	61	97
Ireland		49	22	26	22	28	38	29	22	36	61	27
Butter												
European imports	144	144	85	107	110	93	85	139	117	102	86	125
of which United Kingdom		119	68	91	97	76	56	103	104	77	56	95
European exports	88	71	34	32	54	64	49	47	60	76	62	48
of which Denmark		39	26	24	40	41	33	30	47	44	35	30
Netherlands		13	6	6	12	22	13	11	10	23	20	13
Cheese												
European imports	58	58	51	69	88	93•	45	67	69	78•	56	93
of which United Kingdom		37	40	56	69	68	23	41	40	47	28	71
European exports	37	36	16	28	35	42	37	41	41	49	48	40
of which Netherlands		15	6	14	14	20	14	13	15	21	21	15
Denmark		2	3	5	9	8	8	8	10	12	9	8
Italy		6	2	3	3	4	4	5	4	5	4	4
Switzerland		6	2	2	3	4	4	4	3	4	5	4

Italy	6	2	3	3	4	4	5	4	5	4		4
Switzerland	6	2	2	3	4	4	4	3	4	5		4
Eggs												
European imports	102	102	59	69	61	59	69	90	129	90	72	83
of which United Kingdom		65	43	62	48	46	50	47	87	51	35	37
European exports	84	60	22	38	45	32	37	62	69	46	50	60
of which Denmark		24	10	25	20	17	19	29	24	19	23	27
Ireland		5	4	8	12	3	2	6	12	4	—	3
Netherlands		22	5	4	6	6	11	17	18	14	19	22
Fish												
European imports	249	218	251	303	210	194	244	220	145	128	192	256
of which Germany *b*		57	76	113	69	53	54	59	24	15	15	61
United Kingdom		47	63	76	67	47	54	49	32	25	33	64
Italy		25	25	26	20	26	18	24	24	21	38	24
France *b*		19	19	21	13	15	31	25	12	13	27	24
European exports	240	234	250	341	248	148	263	256	138	130	229	291
of which Norway		65	97	171	110	30	57	110	46	44	62	123
Iceland		24	45	39	56	42	47	33	16	13	38	41
Denmark		14	25	33	33	24	37	35	22	24	41	37
Netherlands		36	28	39	14	18	53	32	13	16	28	28
Oil seeds												
European imports	1,814	1,790	629	941	961	781	821	766	781•	860•	924	1,137
of which United Kingdom		414	256	290	316	360	334	275	312	355	262	249
France *b*		337	133	224	227	125	103	86	166	105	73	193
Germany *b*		462	35	140	139	56	89	71	37	108	165	209
Netherlands		183	53	97	105	71	53	86	100	103	132	133
Belgium-Luxembourg		70	33	45	38	28	77	46	23	43	80	73
European exports	64	17	25	24	22	17	17•	18	26•	31	27	32
of which Turkey		2	17	11	17	15	10	6	18	23	15	11
Animal and vegetable fats and oils												
European imports	427	413	337	365	464	383	479	499	638•	536	586	542
of which United Kingdom		102	161	149	197	167	188	125	306	160	147	159
Germany *b*		100	30	40	99	44	72	133	111	178	181	135
Italy		24	11	18	25	51	48	53	27	29	48	40
France *b*		22	31	45	29	22	29	47	47	38	40	45
Belgium-Luxembourg		20	30	20	24	24	43	28	36	28	45	35
European exports	249	237	95	93	117	93	136	124	130•	188	171	145
of which Norway		27	28	30	47	28	47	24	34	56	30	33
Netherlands		74	12	14	19	24	24	37	25	21	40	26
Belgium-Luxembourg		12	4	10	16	11	14	18	13	15	16	17
Coffee												
European imports	188	185	106	105	107	112	125	114•	115•	120•	128	124
of which France *b*		47	18	14	22	24	27	33	35	39	42	39
Belgium-Luxembourg		13	21	21	19	26	24	17	10	15	17	15
Italy		9	10	13	9•	11	15	12	16	8	11	13
United Kingdom		4	13	13	7	9	14	7	14	8	10	10
Tea												
European imports	66	62	52	65	40	50	86	55	26	46	67	72
of which United Kingdom		52	46	56	35	44	77	48	20	37	57	61
Tobacco												
European imports	92	88	63	66	59	85	108	62	59	88	118	67
of which United Kingdom		34	29	20	10	38	55	23	9	34	56	15
Germany *b*		23	1	5	13	9	14	8	10	12	11	10
France *b*		6	3	9	5	12	5	2	4	7	6	5
Netherlands		7	4	6	7	5	10	6	8	7	7	9
European exports	41 •	29	22	42	34	12	36	37	21	14	34	37
of which Turkey		10	11	25	17	3	18	18	6	6	17	18
Greece		11	4	9	9	1	7	8	5	1	9	11

a For the composition of the commodity groups and information on conversion factors employed, see ECONOMIC SURVEY OF EUROPE IN 1949, Appendix B, page 260.

b The countries whose trade is included throughout the table are : United Kingdom, Iceland, Ireland, France, the Netherlands, Belgium-Luxembourg, Switzerland, Italy, Greece, Spain, Portugal, Turkey, Denmark, Sweden, Norway, Finland, Germany, Czechoslovakia, and Austria. In addition, Polish imports and exports are included in bread grain and sugar. The coverage for Sweden is incomplete, the published monthly trade returns giving only the most important items in each commodity group, which, however, usually make up from 80 to 90 per cent of its total trade. For Germany, the 1938 data refer to the whole of the pre-war territory ; the post-war figures refer to the U.K./U.S. Zone only up to the end of 1949 and thereafter to the three western zones. The Saar formed part of the German trade area in 1938, but beginning with the first quarter of 1948, its trade is included with that of France.

Table XIX — IMPORTS AND EXPORTS OF SELECTED INDUSTRIAL MATERIALS

Thousands of tons

NOTE. — Data cover imports from all sources and exports to all destinations, both European and non-European, by the countries listed in footnote (*b*) below. Except as there indicated, trade of eastern European countries is not included because of the lack of data on a sufficiently regular and detailed basis. Figures for 1938 are shown both for Europe as a whole (including the U.S.S.R. and the Baltic States) and, to provide comparability, for the countries covered by the post-war figures.

Commodity group [a]	TOTAL EUROPE	NINETEEN EUROPEAN COUNTRIES [b]									
	1938	1938	1948	1949				1950				1951
	Quarterly average	Quarterly average	Quarterly average	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter
Coal, coke and patent fuel												
European imports	21,560	21,559	19,130	20,369	20,126	18,620	18,340*	22,191*	19,896*	20,893*	21,447	21,343
of which France [b]		5,525	4,281	5,582	5,091	4,212	3,769*	3,461	2,462	2,093	2,513	2,407
Italy		3,041	2,101	1,916	2,963	2,508	1,365	2,471	1,830*	2,111*	1,942	2,203
Austria		575	1,417	1,565	1,466	1,600	1,600	1,648	1,310	1,144	1,395	1,470
Sweden		1,933	1,809	1,793	1,225	1,124	1,821	1,941	1,381	1,874	1,993	1,878
European exports [c]	25,833	25,833	18,119	20,270*	21,159*	20,789*	22,137*	22,990*	20,980*	22,445*	22,200	19,863
of which Poland		2,987	7,623	8,461	8,593	7,591	7,651	7,833	7,503	7,730	7,653	7,800*
Germany [b]		8,202	4,496	5,504	5,962	5,668	5,542	6,099	5,608	7,244	6,775	6,253
United Kingdom		9,699	3,228	3,783*	3,691*	4,373*	5,418*	5,416*	4,386*	3,886*	3,604	2,197
Mineral oil, crude and refined [d]												
European imports	9,825	9,726	12,627	13,642	14,345	14,154	14,829	14,814	17,107*	18,610*	18,907	19,795
of which United Kingdom		3,179	4,751	5,132	4,716	4,517	4,330	4,677	5,337	5,007	5,146	5,674
France [b]		2,071	2,158	2,923	3,248	3,083	3,197	3,275	3,609	3,517	4,244	3,999
Netherlands		461	675	607	1,058	943	1,070	1,174	1,451	1,835	1,809	1,847
Italy		691	690	565	800	962	1,014	1,049	1,417	1,670	1,655	1,696
Germany [b]		1,347	414	467	642	656	592	383	723	810	937	963
European exports	2,130	1,764	1,102	1,610	1,884	2,082	2,250	2,324*	2,945*	4,131*	3,608	3,474
of which France [b]		147	253	514	651	693	742	618	811	1,136	1,064	742
Netherlands		20	75	209	301	416	436	495*	797*	1,352*	979	1,117
Steel, crude and finished												
European imports	1,243	1,074	1,159	1,256	1,370	1,362	1,103	1,234*	1,391*	1,287*	1,403	1,507
of which United Kingdom		208	104	174	309	273	138	135	146	118	68	85
Netherlands		199	255	268	244	241	203	297	281	276	293	349
European exports	1,999	1,884	1,616	2,077	2,194	2,120	2,360	2,541	2,775	2,493	4,173	3,630
of which Belgium-Luxembourg		550	811	990	993	864	717	808	783	688	1,091	1,155
France [b]		289	208	351	411	471	755	657	742	541	1,490	1,135
United Kingdom		325	393	455	462	453	520	572	623	625	704	562
Germany [b]		534	41	96	123	173	149	311	405	441	633	468
Copper												
European imports	339	326	212	203	239	225	190	214	251	202	234	256
of which United Kingdom		90	91	71	86	98	61	71	93	81	78	94
France [b]		28	26	31	37	40	36	41	24	15	31	38
Belgium-Luxembourg		57	39	36	50	33	42	39	53	38	44	45
European exports	55	47	41	53	57	68	53	57	68	66	67	53
of which Belgium-Luxembourg		30*	24	31	37	42	25	32	34	30	32	28
Timber (thousand m³)												
European imports	8,431	8,122	5,435	3,987	4,655	7,330	6,599	3,563*	4,639*	7,634*	6,014	4,466
of which United Kingdom		3,373	2,128	1,428	1,599	3,230	2,821	1,278	1,387	2,781	2,203	1,775
France [b]		361	1,133	840	961	968	659	329	205	283	242	173
Netherlands		668	640	432	448	859	685	431	600	1,101	734	571
European exports [e]	7,188	4,963	4,065	2,705	3,695	5,667	4,425	2,854*	4,580*	6,452*	5,094	3,587
of which Finland [b]		1,704	1,048	345	772	2,314	1,655	302*	1,456*	3,020*	1,679	754
Sweden		1,030	648	338	653	1,432	1,181	526	913	1,272	1,201	431
Wood-pulp												
European imports	752	737	579	609	689	723*	740*	730	873	774*	760	777
of which United Kingdom		431	295	280	354	376	331	302	420	379	330	354
France [b]		93	72	93	103	82	118*	119	162	102	118	123
Italy		67	24	72	33	49	47	92	54	49	42	53
European exports	1,296	1,257	729	604	829	818	1,141	874	1,113	944	1,030	824
of which Sweden [b]		573	421	301	470	493	629	408	604	483	596	372
Finland		405	200	151	221	192	356	258	311	273	214	233
Norway		195	87	120	106	104	124	149	131	118	148	140
Newsprint												
European imports	169	159	62	83	87	93	107	79	93	93	93	93
of which United Kingdom		45	19	23	24	25	28	20	24	24	24	24
France [b]		30	10	14	15	16	18	13	16	16	16	16
Netherlands		19	8	9	10	10	11	8	10	10	10	10
Italy		15	6	7	8	8	9	6	8	8	8	8
Germany [b]		14	5	7	7	7	8	6	7	7	7	7
European exports	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
of which Finland [b]		400	400	400	400	400	400	400	400	400	400	400
Sweden		300	300	300	300	300	300	300	300	300	300	300
Norway		300	300	300	300	300	300	300	300	300	300	300

of which Sweden *b*		573	421	301	470	493	629	408	604	483	596	372
Finland		405	200	151	221	192	356	258	311	273	214	233
Norway		195	87	120	106	104	124	149	131	118	148	140
Newsprint												
European imports	169	159	62	82	87	92	107	82	71	82•	91	68
of which United Kingdom		113	32	43	38	43	61	37	28	33	42	29
European exports	249	248	166	210	205	214•	215	233	244	225	243	210
of which Finland		90	72	82	84	88	95	97	99	93	90	80
Sweden *b*		41	44	55	51	50	44	51	51	46	55	43
Norway		38	30	39	37	38	36	38	36	32	38	37
Raw wool												
European imports	255	244	190	218	248	232	197	244	259	195	191	230
of which United Kingdom		77	63	74	93	79	77	82	95	57	58	89
France *b*		60	47	42	51	58	30	47	44	38	32	41
Belgium-Luxembourg		29	22	25	27	27	26	33	36	24	30	27
Raw cotton												
European imports	506	478	331	445	481	362	387•	504	473	424	417	455
of which United Kingdom		139	99	128	164	114	76•	123	141	119	117	118
France *b*		73	49	68	85	54	63	103	73	66	50	61
Germany *b*		88	30	42	45	40	61	69	63	56	66	75
Belgium-Luxembourg		34	20	27	24	22	29	37	32	22	36	38
Wool yarn												
European imports	9.8	8.4	6.7	6.4•	6.5	7.6•	10.5•	12.4	10.8•	11.3•	13.4	11.9
of which Netherlands		1.8	2.0	2.5	2.4	1.9	2.5	3.4	3.3	2.6	3.0	2.8
European exports	10.2	9.8	9.9	10.2	10.6•	11.3	13.3	15.1•	14.7	14.1•	18.3	15.7
of which United Kingdom		3.9	2.4	3.5	3.1	3.1	3.4	3.9	3.9	4.0•	4.2	4.1
France *b*		0.3	2.9	3.2	3.5	3.6	4.5	5.3	5.0	4.5	6.7	5.8
Belgium-Luxembourg		1.9	2.1	2.0	2.1	2.9	3.4	3.9	3.1	2.2	3.0	2.6
Cotton yarn												
European imports	25.0	16.4	10.6	10.1•	11.2•	13.8•	17.6•	22.9	18.1•	17.9•	18.8	20.6
of which Germany *b*		5.4	0.1	0.5	1.8	5.0	3.5	4.6	2.4	1.2	1.6	2.3
European exports	34.4	34.0	20.9	25.9	29.5•	26.3•	27.6•	27.0	24.1	21.1	24.7	24.7
of which United Kingdom		13.9	6.7	10.5	9.9	8.5	8.2	8.0	7.7	7.7	8.9	8.9
Italy		4.8	8.7	9.0	10.7	6.6	9.2	9.2	7.5	6.1	5.5	5.9
Belgium-Luxembourg		3.1	2.8	3.7	5.8	7.5	5.6	5.5	4.8	3.0	4.8	4.6
Artificial yarn and fibres												
European imports	10.9	9.3	7.3	11.2	11.3	9.5	10.1	12.5	12.1	14.8	16.0	18.8
of which Germany *b*		3.7	0.6	1.9	2.7•	2.4•	2.3•	3.6	2.8	3.4	4.6	5.2
United Kingdom		—	1.4	2.3•	1.9•	0.7	0.3	1.2	0.8	1.0	0.9	1.5
European exports	20.4	20.3	30.5	31.9	25.5•	24.0	32.6•	33.6•	44.8•	48.2•	60.1	55.5
of which Italy		9.8	8.9	7.1•	4.0•	5.3	10.0•	5.0	8.6	12.5	15.6	13.4
United Kingdom		3.1	5.2	5.9•	4.7•	3.6	5.4	6.6•	6.8•	7.3•	8.0	6.7
Netherlands		1.6	4.0	4.7•	4.6•	3.7•	4.8•	4.7	5.2	4.8	6.0	5.0
Cotton tissue												
European imports *f*	..	6.5	12.8	15.7	18.1	19.0	18.3	21.9	23.9	25.1	25.7	27.2
European exports *f*	..	74.1	45.4	62.3	60.3	59.6	57.7	61.6	56.2	57.2•	73.1	66.3
of which United Kingdom		39.8	21.1	27.2	26.8	25.8	23.7	24.1	21.0	22.7	26.6	24.3
France *b*		6.8	7.8	14.6	13.2	12.4	12.8	13.3	13.4	12.3	16.9	15.2
Netherlands		5.3	3.2	4.3	4.0	4.1	3.8	4.3	3.5	3.9	5.1	4.8
Belgium-Luxembourg		4.7	4.0	3.9	5.3	6.3	4.7	9.1	6.6	5.0	7.6	7.7
Switzerland		1.1	0.4	0.6	0.8	0.9	1.6	1.5	1.1	0.9•	1.1	1.1
Italy		10.5	3.9	5.3	5.1	5.1	8.4	7.1	8.3	8.7	10.5	8.5
Germany *b*		5.9	5.0	6.4	5.1	5.0	2.7	2.2	2.3	3.7	5.3	4.7
Hides and skins												
European imports	148	134	97	117	129	101	99•	125	129	104	132	132
of which United Kingdom		24	32	35	43	35	31	42	41	27	29	31
France *b*		11	17	18	15	10	12	16	19	14	17	17
Germany *b*		34	5	9	19	13	15	17	15	16	29	21
Rubber												
European imports	112	109	133	136	128	133	136	158•	143	148	182	199
of which United Kingdom		35	48	33	34	48	45	61	55	54	59	72
France *b*		17	26	28	29	24	28	27	27	26	34	39
Germany *b*		27	19	30	24	19	25	24	16	27	35	32

a For the composition of the commodity groups and information on conversion factors employed, see ECONOMIC SURVEY OF EUROPE IN 1949, Appendix B, page 260.

b The countries whose trade is included throughout the table are : United Kingdom, Iceland, Ireland, France, the Netherlands, Belgium-Luxembourg, Switzerland, Italy, Greece, Spain, Portugal, Turkey, Denmark, Sweden, Norway, Finland, Germany, Czechoslovakia, and Austria. In addition, the figures for coal and coke include the trade of all other European countries (including the U.S.S.R.) ; the figures for mineral oil include the trade of Poland, Hungary, Rumania and Yugoslavia ; and the figures for timber, wood-pulp, raw wool, raw cotton, hides and skins and rubber include the trade of Poland. The coverage for Sweden is incomplete, the published monthly trade returns giving only the most important items in each commodity group, which, however, usually make up from 80 to 90 per cent of its total trade. For Germany, the 1938 data refer to the whole of the pre-war territory ; the post-war figures refer to the U.K./U.S. Zone only up to the end of 1949 and thereafter for the three western zones. The Saar formed part of the German trade area in 1938, but beginning with the first quarter of 1948, its trade is included with that of France.

c Including bunkers. *d* Crude equivalent.

e Figures for 1949 and 1950 include data for the three western zones of Germany.

f Totals cover only countries for which export figures are shown separately plus Sweden.

Table XX

INDICATORS OF ECONOMIC ACTIVITY FOR SELECTED COUNTRIES, APRIL AND MAY, 1951

	Industrial production		Crude steel		Coal		Passenger cars		Commercial vehicles		Trade							
											Volume — *1949 = 100*				Import unit val.		Terms of trade	
	1948 = 100		*Thousands of tons*		*Millions of tons*		*Thousands*		*Thousands*		Imports		Exports		*Jan.-Sept. 1949 = 100*			
	April	May	April	May	April	May	April	May	April	May	April	May	April	May	April	May	April	May
Belgium			425	412	2.57	2.49					126	..	137	..	127	..	111	..
Luxembourg			251	251														
France	128	127	829	813	4.49	4.24	27.09	26.86	11.25	11.42	115	113	166	141	152	163	125	129
Saar			213	209	1.40	1.27												
Germany :																		
Western Zones	233	233	1,121	1,122	10.17	9.50	22.52	21.86	9.08	..	..	..	..	..	..	..	..	..
Italy	138	142	241	276	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Netherlands	134	130			1.02	0.99					138	..	151	..	136	..	111	..
Sweden	119		124	133	..	..					..	..	..	..	..	..	..	..
United Kingdom	127	123	1,422	1,343	19.51	19.68	38.42	38.18	21.47	20.76	..	..	130	128	161	168	..	..
Switzerland											194	181	173	170	106	108	103	106
Austria	181	167									120	..	175	..	214	..	122	..

Sources : The figures are derived from the same sources as those in Tables I, VI, VIII, X, XVI, XVII, XIX.

NOTES TO THE STATISTICS

1. General

The statistical series contained in the section " European Economic Statistics " are generally a continuation of those published in the *Economic Survey of Europe in 1950*. The sources and methods used in their compilation were described in detail in the Survey. The present notes give only a brief general description of the coverage and nature of the statistical series, and details of sources and methods are given only for series which appear for the first time in this issue of the *Bulletin* or where revised or additional data have been introduced.

The statistics shown are to be regarded in the first place as background material for economic analysis given in the text of the *Bulletin*. The available national statistics have, for the sake of comparability as between countries, often been adjusted to more uniform definitions and in cases where no official figures are available estimates are sometimes shown which have a wider margin of error than is normally allowed in statistical publications.

Where a table gives totals for a number of countries, these totals always refer to the same group of countries for each period shown. In cases where figures for a given country are not available for one or more periods, estimates of these missing figures are included in the totals. Totals, labelled " Total Europe " always include estimates for those countries for which no data are available.

Slight discrepancies between constituent items and the totals shown in the tables are due to rounding.

The tables include information received up to June. In general, the most recent figures are to be regarded as provisional, and subject to revision.

2. Index Numbers of Industrial Production (Tables I to IV)

While most European countries still calculate their production indices on the basis of pre-war weights, a few countries have revised their weighting systems and are now using post-war weights. In these cases (Czechoslovakia, Denmark, Finland, Luxembourg, Norway, Sweden and the United Kingdom), the new index numbers have been adopted for the post-war period. However, the link to 1938 is generally available on the basis of pre-war weights only, except in the case of the United Kingdom, for which the level of output in 1946 (the post-war base year) in relation to 1938 is available according to both pre-war and post-war weights. For this reason, the link between 1938 and the post-war years used is in all cases (including the United Kingdom) based on pre-war weights. The use of post-war weights for the United Kingdom alone would lower the European index by 2 points in the post-war period.

Although the most common method of computing production index numbers is that of weighting indices of physical output for individual commodities according to their net production value in the base year, the countries of eastern Europe, except Czechoslovakia, calculate their index numbers by evaluating current output at fixed prices. Such index numbers therefore relate to gross rather than net output. Both methods would yield similar results if the second were limited to final production, but little is known about details of the procedure used in eastern countries. To the extent that the prices at which current output is valued are changed at the beginning of a new plan period, the index numbers calculated by the second method are not comparable with those obtained by the first method, which are computed by the use of constant weights.

Although index numbers adjusted to the same number of working days in each month have been used wherever available, unadjusted indices had to be used for certain countries in the absence of adjusted series. The effect of this on the European average is less than one point, except for the first two quarters of the year, where the changing position of Easter may have a more serious effect.

The index numbers for Poland relate post-war production in the post-war territory to pre-war production in the pre-war territory. The European totals, however, refer to constant (post-war) territory for both pre-war and post-war years.

The coverage of the index numbers is as follows :

General Index

The indices generally cover manufacturing, mining and gas, water and electricity supply. The coverage differs slightly from country to country, the most important difference being that the food industry is not included in the index for Germany, nor in the quarterly indices for France.

Engineering Industry

The indices relate, as far as possible, to mechanical and electrical engineering, transport equipment (including ships and aircraft) and metal goods.

Chemical Industry

The index numbers shown are those described as relating to " chemicals " in the original sources. However, the definition of the industry varies between countries. As far as possible, production of vegetable oils and soap has been included in cases where the official index does not cover these activities.

Textile Industry

The index numbers shown are those described as covering " textiles " in the original sources. Clothing is not included, except in cases where this industry cannot be separated from the index.

Revisions and Additions

Czechoslovakia : An amendment to the index numbers published in *Hospodar* has been communicated to the Statistical Office of the United Nations, New York. The index numbers given in the SURVEY have consequently been revised.

Norway : An error in the figures given in the SURVEY has been corrected. The new figures shown are in conformity with the description given in the SURVEY.

3. EMPLOYMENT (Table V)

The index numbers of employment in industry cover manufacturing, mining, gas, water and electricity supply, but exclude building. They include both wage and salary earners with the following exceptions. The quarterly indices for Belgium, Finland, France, Italy, Sweden and Switzerland include wage earners only. The index numbers for the United Kingdom and the quarterly indices for Ireland include, in addition to wage and salary earners, managers and proprietors. The Danish index is an index of man-hours worked from 1950 onwards.

The index numbers for Poland relate post-war employment in the post-war territory to pre-war employment in the pre-war territory. The European totals, however, refer to constant (post-war) territory, for both pre-war and post-war years.

4. PRODUCTION OF MAJOR COMMODITIES (Tables VI—XI)

The coverage of the figures is as follows :

Coal

The figures relate to the net pit-head production of coal (clean coal raised to the surface). Lignite is not included.

Electric Power

The figures relate to total electricity production—*i.e.*, production of public utilities and by private industry for its own use. The main exception is the United Kingdom, for which public utility production only is given. The European totals, however, include estimates for total production in the United Kingdom (including Northern Ireland). These estimates are based on data communicated by the British authorities.

Crude Steel

The figures refer to total production of steel ingots and direct castings, including special alloyed steel, whether for further use by the producer, or for sale. The data included for direct castings refer either to the weight of steel poured for the manufacture of castings, or to the actual weight of the castings trimmed and machined. Wrought (puddled) iron is excluded.

Cement

The data refer to the production of artificial cements only—*i.e.*, Portland, bauxite, Roman cement, etc., except as noted.

Motor Vehicles

The figures relate to the total production of motor vehicles for the domestic and export markets. They include the production of foreign-owned companies operating within the territory of the reporting country. They exclude, however, production of completed vehicles built on imported chassis. The production of passenger cars includes taxis. The figures for commercial vehicles refer to the production of lorries (trucks) and buses, delivery vans and special vehicles, such as ambulances, fire apparatus, etc. Vehicles operating off the road, such as industrial and farm tractors, road and other construction machinery, etc., are excluded.

Livestock Produce

The coverage of the figures is given in the footnotes to the tables.

5. PRICES (Tables XII and XIII)

Wholesale Prices

Although, in principle, the indices shown include raw materials, semi-finished products and finished products, both home-produced and of foreign origin, in many instances finished manufactures are not adequately represented. Some indices, moreover, probably do not fully reflect the influence of price movements of imported materials. The index numbers should therefore be used with caution.

Cost of Living

The index numbers for most of the countries shown reflect the movements of the expenditure on a fixed sample of consumers' goods. This sample generally represents the amount of goods (and services) bought by a working-class family in a given base period. The indices therefore are not necessarily representative of the movements of the cost of living of the population as a whole; neither are they very well fitted for inter-country comparisons. In some cases, it is likely that services are not adequately represented.

6. Retail Sales (Table XIV)

The indices shown generally refer to a sample of all retail trade, unless otherwise indicated, including department stores, co-operatives and individual traders.

Sources :

Austria : Monatsberichte des Österreichischen Institutes für Wirtschaftsforschung, Vienna. Revised series.

Belgium : Bulletin de statistique. Total sales by co-operatives, sales of food products by co-operatives, sales of textiles by department stores. All figures refer to monthly data.

Denmark : Statistiske Efterretninger.

Finland : Unitas, A.B. Nordiska Föreningsbanken, Helsinki.

France : Bulletin de la statistique générale de la France. Total sales per month by co-operatives (mostly food products), total sales by department stores (mostly textiles).

Germany (Western Zones) *: Wirtschaft und Statistik.*

Italy : Lettere d'affari, Centro per la statistica aziendale, Firenze. Sales and volume of sales by department stores, presumably mostly textiles.

Netherlands : Maandschrift van het Centraal Bureau voor de Statistiek, Statistisch Bulletin van het Centraal Bureau voor de Statistiek. Value and volume of consumers' expenditure.

Sweden : Sociala Meddelanden.

Switzerland : La vie économique.

United Kingdom : Monthly Digest of Statistics. Consumers' expenditures at current prices. Retail sales per month were taken from *Board of Trade Journal.*

7. International Trade and Payments (Tables XVII—XIX)

Balance of Payments of Europe and Other Areas with the United States

United States statistics do not indicate the individual country of destination for " special category " exports and exports under the Mutual Defense Assistance Program, but only the broad geographical area of destination. All such exports to Europe, including any which may have gone to the United Kingdom, are treated as exports to " Other European countries ". M.D.A.P. shipments destined for the " general area of China " are included under " All other countries ".